



State of New Jersey
CANNABIS REGULATORY COMMISSION

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September 30, 2022

VIA ELECTRONIC MAIL to: Matt.Kalmick@curaleaf.com

Matt Kalmick
Curaleaf NJ, II, Inc.
200 State Highway Route 73
Township of Winslow, New Jersey 08037

Re: ACCEPTANCE OF CORRECTIVE ACTION PLAN; INV 10 22 –
CURALEAF NJ, II, INC.

Dear Mr. Kalmick,

This letter follows the Notice of Violation issued by the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) in accordance with N.J.A.C. 17:30-17 to Curaleaf NJ, II, Inc. (“Curaleaf” or “ATC”) on July 20, 2022. That Notice of Violation followed an investigation that commenced on June 1, 2022, and continued through July 18, 2022, during which time Curaleaf was found to have committed the following regulatory violations:

1. **Violation 1:** N.J.A.C. 17:30-16.2 Testing of every batch and lot; Curaleaf was in possession of 88,500 units of packaged flower and manufactured product that had not been tested by a third-party lab prior to the expansion of Curaleaf’s medicinal permits to include adult use operations, and said product was distributed to Curaleaf’s partners; Pursuant to N.J.A.C. 17:30-7.1(m), an expanded ATC is a cannabis business and subject to all provisions of the chapter that are applicable to cannabis businesses.
2. **Violation 2:** N.J.A.C. 17:30-11.9 Packaging; labeling; release for distribution; Curaleaf released for distribution certain of its cannabis products that had not been properly processed, tested, and/or labeled in accordance with the provisions of N.J.A.C. 17:30-13.2 and 13.3.
3. **Violation 3:** N.J.A.C. 17:30-13.3 Cannabis item labeling requirements; Curaleaf failed to affix labels to certain of its products with the requisite consumer safety and product information.

N.J.A.C. 17:30-17.4(b) provides that, within 20 business days of the receipt of the Notice of Violation, the cannabis business shall (1) Correct the violations; (2) Notify the Commission, in writing, with a postmark date that is within 20 business days of the date of receipt of the Notice of Violation, of any corrective actions taken to correct the violations, and the date of implementation of such corrective

actions.

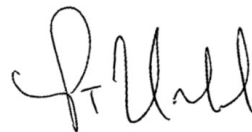
Between June 1, 2022, and July 18, 2022, the NJ-CRC and Curaleaf continued to engage in conversations to ensure that the issues resulting in the violations were rectified and that all products that were deemed to not carry proper labeling were removed from the market. On July 21, 2022, Curaleaf submitted its response to the Notice of Violation, outlining the actions it had taken to correct the violations. Curaleaf informed the NJ-CRC that it promptly reached out to its wholesale accounts and instructed them to immediately quarantine the impacted manufactured product. Curaleaf also coordinated with its staff as well as wholesale accounts to address what it determined were technical, data-entry errors that resulted in specific terpene content not being listed on the product labels. Of note, the investigation and review of the corrective action plan showed that:

- For Violation #1, Curaleaf submitted the required test results for all 88,500 units of packaged flower and manufactured products including the required Quality Control Testing that had been conducted prior to the issuance of the violations.
- For Violations #2 and #3, Curaleaf submitted documentation proving that labeling was done in accordance with N.J.A.C. 17:30A and brought all products in question into compliance with N.J.A.C. 17:30 by adding the concentration of terpenes on the labels. Additionally, Curaleaf submitted documentation evidencing their full compliance with NJ-CRC guidance on manufactured products from May 2, 2022, which aligned the enforcement of medicinal cannabis labeling with the adult use requirements at N.J.A.C. 17:30.

Following review of Curaleaf's submissions and the expeditious response in rectifying the violations and understanding that these errors at no point endangered the public health, safety and welfare, and after consultation with the Executive Director, we will not be recommending further action be taken on this matter. All products in question have been returned to Curaleaf to be brought into compliance. Therefore, this letter serves as confirmation that the investigative file has been closed on the NOV issued on July 18, 2022.

The NJ-CRC appreciates your expeditious cooperation in this matter. Any questions regarding this correspondence can be sent via e-mail to your assigned Field Monitor.

Sincerely,



Paul Thomas Urbish, Esq.
Director
Office of Compliance and Investigations
New Jersey Cannabis Regulatory Commission

Cc: Jeff Brown, Executive Director, NJ-CRC (*via e-mail*)
Christopher Riggs, Chief Counsel, NJ-CRC (*via e-mail*)