



State of New Jersey
CANNABIS REGULATORY COMMISSION

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July 20, 2022

VIA CERTIFIED AND 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: NOTICE OF VIOLATION – CURALEAF NJ, II, INC.

Dear Mr. Kalmick,

This letter is a 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”). This investigation 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.

This Notice of Violation satisfies the NJ-CRC's responsibility to provide five-day notice before any enforcement action shall be taken, as required by N.J.A.C. 17:30-17.5. The ATC is notified that the above-referenced violations may result in the imposition of civil monetary penalties in amounts not to exceed \$50,000 per violation of the regulations.

Additionally, 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.

N.J.A.C. 17:30-17.5(a) establishes that: “In response to a violation of any provision of the Act or this chapter, the Commission is authorized to take enforcement action or impose sanctions upon a license holder. Sanctions may include, but are not limited to, civil monetary penalties; suspension, revocation, non-renewal, or denial of a license; referral to State or local law enforcement, pursuant to N.J.A.C. 17:30-17.6, 17.7, and 17.8; or any combination thereof.” Corrective action taken by the ATC does not preclude the NJ-CRC from imposing penalties but may be taken into consideration when considering the penalty to be imposed for each violation. N.J.A.C. 17:30-17.6(f)(4).

The ATC has acted in violation of the adult personal use regulations by failing to adequately test its flower and manufactured products, and to properly label the same, before distributing the products to consumers and to its wholesale partners.

The NJ-CRC hereby orders the ATC to immediately conform its operations for the testing, processing, manufacturing, packaging, and labeling of its products with the Personal Use Cannabis Rules (N.J.A.C. 17:30).

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,

A handwritten signature in black ink, appearing to read 'P. Urbish', written in a cursive style.

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