



State of New Jersey
CANNABIS REGULATORY COMMISSION

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May 13, 2022

VIA CERTIFIED AND ELECTRONIC MAIL to: b.sickora@acreageholdings.com

Brian Sickora, General Manager
Acreage CCF NJ, LLC
100 Century Drive
Egg Harbor Township, New Jersey 08234

Re: NOTICE OF CIVIL MONETARY PENALTY – ACREAGE CCF NJ LLC

Dear Mr. Sickora,

This letter is a Notice of Civil Monetary Penalty, issued by the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) in accordance with N.J.A.C. 17:30-17 to Acreage CCF NJ LLC (“Acreage” or “ATC”). This penalty assessment follows the Notice of Violation issued to Acreage on May 3, 2022, for the below violations:

1. **Violations 1:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Thursday, April 21, 2022, the ATC allowed adult use consumers to execute 257 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.
2. **Violation 2:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Friday, April 22, 2022, the ATC allowed adult use consumers to execute 48 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.
3. **Violation 3:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Sunday, April 24, 2022, the ATC allowed adult use consumers to execute 4 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.
4. **Violation 4:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Monday, April 25, 2022, the ATC allowed adult use consumers to execute 32 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.

5. **Violation 5:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Tuesday, April 26, 2022, the ATC allowed adult use consumers to execute 72 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.
6. **Violation 6:** 4/12/2022 Final Agency Decision and N.J.A.C. 17:30-7.1(d) – During the ATC’s established “Patient Only Hours” on Wednesday, April 27, 2022, the ATC allowed adult use consumers to execute 140 transactions at its Egg Harbor and Williamstown locations to the detriment of the medicinal patient population.

Pursuant to the law, implementing regulations, and the 4/12/2022 Final Agency Decision (“FAD”), the NJ-CRC is authorized to impose civil monetary penalties in amounts not to exceed \$50,000 per violation of the regulations (and up to \$500,000 for “major license violations”), and not to exceed \$10,000 per day for violations of the FAD.

The NJ-CRC has determined to impose **a monetary penalty of \$60,000.00** on Acreage for the violations listed above. The amount is based on **six violations** of the 4/12/2022 FAD, at a cost of \$10,000.00 per day a violation occurred, as authorized by the FAD.

The leniency in establishing this penalty is the result of anticipated corrective actions that will be taken by the license holder in relation to the current violations. 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. Acreage submitted a corrective action plan on May 6, 2022.

The NJ-CRC has attached to this Notice of Civil Monetary Penalty its Compliance Monitoring Report, which is the basis for this penalty assessment. If Acreage wishes to contest the imposition of this civil monetary penalty, it may request an adjudicatory hearing within 14 days of receipt of this Notice of Civil Monetary Penalty. The NJ-CRC may, in its discretion, retain jurisdiction over the matter, or transmit the matter to the Office of Administrative Law pursuant to the Administrative Procedure Act (N.J.S.A. 52:14B-1 *et seq.* and 52:14F-1 *et seq.*).

If Acreage determines to pay this monetary penalty without contest, it may do so through the NJ-CRC’s website at the following link: <https://www.nj.gov/cannabis/businesses/resources/>, by following the prompt for “Violation Fines” on the right hand side of the page and submitting the “Application Type Information” as “Other”, with a “Description” of “Civil Monetary Penalty Assessment.”

If determined to contest this civil monetary penalty, Acreage shall request an adjudicatory hearing within 14 days of receipt of this Notice by submitting its request in writing via e-mail to Chief Counsel Christopher Riggs at Christopher.Riggs@crc.nj.gov, **and via certified mail to:**

New Jersey Cannabis Regulatory Commission
c/o Office of the Chief Counsel
225 East State Street

2nd Floor West
Trenton, New Jersey 08608

The NJ-CRC appreciates your expeditious cooperation in this matter. Any questions regarding this correspondence can be sent via e-mail to Deputy Counsel Paul Urbish at Paul.Urbish@crc.nj.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Brown".

Jeff Brown
Executive Director
New Jersey Cannabis Regulatory Commission