



**State of New Jersey**  
**CANNABIS REGULATORY COMMISSION**

PHILLIP D. MURPHY  
*Governor*

P.O. BOX 216  
TRENTON, N.J. 08625-0216

SHEILA Y. OLIVER  
*Lt. Governor*

DIANNA HOUEYOU, *Chair*  
SAMUEL DELGADO, *Vice Chair*  
KRISTA NASH, *Commissioner*  
MARIA DEL CID-KOSSO, *Commissioner*  
CHARLES BARKER, *Commissioner*  
JEFF BROWN, *Executive Director*

April 9, 2024

**VIA CERTIFIED AND ELECTRONIC MAIL to:** [leafhausnj@gmail.com](mailto:leafhausnj@gmail.com)

Shakhnoza Madaminova, President  
Leaf Haus LLC  
900 Easton Avenue, Suite 18  
Somerset, New Jersey 08873

Re: **NOTICE OF VIOLATION – LEAF HAUS LLC; INV 77 24**

Dear Ms. Madaminova,

This letter is a Notice of Violation, issued by the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) in accordance with N.J.A.C. 17:30-20.4 to Leaf Haus, LLC (“Leaf Haus”). The investigation commenced on March 20, 2024, and remains on-going as of the date of this correspondence, during which time Leaf Haus was found to have committed the following regulatory violations:

**1. Violation 1:** N.J.A.C. 17:30-14.3 -

(f) The cannabis retailer shall only sell to consumers cannabis items that have been properly tested, packaged, sealed, and labeled in accordance with the provisions at N.J.A.C. 17:30–16.2 and 16.3.

**2. Violation 2:** N.J.A.C. 17:30-14.2 –

(c) A cannabis retailer may sell usable cannabis and cannabis products to consumers in any authorized form, in accordance with N.J.A.C. 17:30–11.2(c).

1. A cannabis retailer shall only sell usable cannabis and cannabis products that are packaged and labeled in accordance with N.J.A.C. 17:30–16.2 and 16.3...

...(e) A cannabis retailer shall only sell cannabis items directly to a consumer.

During an audit investigation utilizing the Metrc seed-to-sale tracking system, the Compliance Unit uncovered that Leaf Haus knowingly gifted expired cannabis and cannabis items to employees that Leaf Haus could no longer legally sell. Additionally, Leaf Haus provided cannabis and cannabis items to employees and to events as “taster samples” which is not permitted by law or regulation. These infractions occurred on multiple occasions and were admitted to by Leaf Haus during the course of the investigation.

Within 20 business days of the receipt of the Notice of Violation, Leaf Haus 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.

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. 17:30-20.5. Leaf Haus is notified that the above-referenced violation may result in the imposition of civil monetary in accordance with the schedule set forth at N.J.A.C. 17:30-20.7.

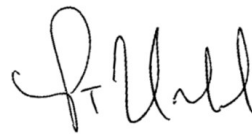
N.J.A.C. 17:30-20.5(a) establishes that: "In response to a violation of any provision of the Act or this chapter, the Commission is authorized to take enforcement action or impose sanctions upon a license holder. Sanctions may include, but are not limited to, civil monetary penalties; suspension, revocation, non-renewal, or denial of a license; referral to State or local law enforcement, pursuant to N.J.A.C. 17:30-20.6, 20.7, and 20.8; or any combination thereof." Corrective action taken by Leaf Haus 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. 17:30-20.6(f)(4).

Leaf Haus has acted in violation of the adult use regulations and the purpose and intent of the CREAMM Act by providing samples to employees and the public and failing to properly track their inventory and keep records of their sales.

**The NJ-CRC hereby orders Leaf Haus to immediately conform its operations for sales, recordkeeping, inventory tracking, and destruction, with the adult use regulations and the Standard Operating Procedures on file with the Commission. The NJ-CRC reserves the right to impose sanctions for this regulatory violation.**

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