



State of New Jersey
CANNABIS REGULATORY COMMISSION

PHILLIP D. MURPHY
Governor

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Lt. Governor

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December 20, 2024

Michael Hochswender
Smithers CTS NJ
[REDACTED]

Re: FINAL AGENCY DECISION

Acceptance of Renewal Application to Operate in the Personal-Use Cannabis Market

Dear Michael Hochswender:

Congratulations! The New Jersey Cannabis Regulatory Commission ("NJ-CRC" or "Commission") has approved your request for license renewal(s) to operate in the personal-use cannabis market. The above-listed entity will be permitted to engage in adult, personal-use cannabis activities in New Jersey under the following licenses and at the following locations for an additional year:

- Cannabis Testing Laboratory, 16000 Horizon Way, Mount Laurel Park NJ, Expiration December 31, 2025

This letter serves as written notice that the above-listed ATC has submitted complete, accurate, and verifiable information, and the NJ-CRC has approved the expanded ATC to operate in the adult personal-use market for an additional year. Details on the Commission's review of materials, terms and conditions of Commission approval, and next steps are provided below. Please read the following information carefully; failure to satisfy any requirement may result in penalties levied against the expanded ATC, including fines and license suspension, revocation, or renewal denial.

NJ-CRC Review of Renewal Application Materials

This letter serves as written notice that the above-listed entity has submitted complete, accurate, and verifiable information, and the NJ-CRC has approved the entity to operate in the adult personal-use market for an additional year. Details on the Commission's review of materials, terms and conditions of Commission approval, and next steps are provided below. Please read the following information carefully; failure to satisfy any requirement may result in penalties levied against the entity, including fines and license suspension, revocation, or renewal denial.

NJ-CRC Review of Renewal Application Materials

Pursuant to N.J.A.C. 17:30-7.16(a) a license holder holding an annual license, including an annual license converted from a conditional license, shall renew such annual license annually. Pursuant to N.J.A.C. 17:30-7.16(c), a license holder shall submit a renewal application no later than 90 days prior to the expiration of the current cannabis business license. Submission within 90 days of expiration of the current cannabis business license may result in a lapse in the cannabis business's licensure and subject the cannabis business to enforcement action.

Pursuant to N.J.A.C. 17:30-7.16(d), the following may be grounds for denial of a license renewal application:

1. Failure to provide truthful, correct, and current information;
2. Failure to maintain compliance with applicable laws or regulations;
3. Failure to maintain its diversely owned business, impact zone business, social equity business, or microbusiness status;
4. The inclusion of a person or entity not deemed qualified to hold a license; or
5. The commission of three or more major violations within the preceding 12 months.

Additionally, a license holder holding an annual license must pay the requisite renewal fees for each requested license under N.J.A.C. 17:30-7.17.

Terms and Conditions of NJ-CRC Approval

The Commission's approval provided herein is based and conditioned on the information provided in the entity's application materials. As such, the Commission's approval of the entity's application is subject to the terms and conditions explained below. Adherence to the entity's plans submitted to the Commission and the terms and conditions below is an ongoing requirement for licensure as a cannabis business. Failure to adhere to the conditions and commitments in the entity's application materials, or failure to satisfy any required terms and conditions set forth below, may result in adverse action taken against the entity, including suspension or revocation of any issued permit or license. The NJ-CRC is authorized to take these enforcement actions pursuant to N.J.A.C. 17:30-20.5.

As a licensee, you are subject to the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization ("CREAMM") Act as well as all regulations implementing the CREAMM Act, set forth at N.J.A.C. 17:30. It is your responsibility to ensure the entity understands and complies with all applicable regulations, regardless of whether they are expressly mentioned in this letter. Additionally, please be advised that pursuant to N.J.A.C. 17:30-7.14(g), you have a continuing duty to seek approval for or report material changes in the information submitted as part of the annual license application, pursuant to N.J.A.C. 17:30-9.2. Examples of material changes that must be reported to the NJ-CRC for approval include:

1. any changes in ownership,
2. changes of management services contractors or changes to the terms of a management services agreement,

3. changes of financial sources or changes to the terms of a financial source agreement,
4. changes of location,
5. modifications of an entity's capacity, physical plant or premises, and
6. changes of the cannabis business's name.

Please be advised that there will be an ongoing and continuing review of financial source and management services agreements to ensure the entity is compliant with the governing regulations.

Next Steps

By accepting this provisional award for license renewal, the cannabis business is agreeing to be subject to the terms and conditions stated in this letter, as well as any requirements in the applicable regulations. Before the license is renewed, the cannabis business must submit payment for the associated renewal licensing fee under N.J.A.C. 17:30-7.17 for each license. Accordingly, payment in the amount of **\$4,000** is due and owed before the entity can continue to engage in any activities associated with the adult-use cannabis market for an additional year. The breakdown of fees is as follows:

- Cannabis Testing Laboratory, 16000 Horizon Way, Mount Laurel Park NJ, Expiration December 31, 2025: **\$4,000**

The NJ-CRC will email you an invoice that must be paid online using the Commission's licensing portal. If payment is not received within thirty (30) days of accepting this award, the NJ-CRC will email a final notice regarding the unpaid invoice. Failure to pay the required fees within sixty (60) days of accepting this award will result in the award automatically being rescinded and the entity's license renewal being rejected in the online licensing portal.

Congratulations once again on your successful request and thank you for your continued interest in working with the NJ-CRC to establish a safe and equitable cannabis industry for the state of New Jersey. Should you have any questions regarding this correspondence, please submit your inquiry to the NJ-CRC Licensing inbox at crc.licensing@crc.nj.gov.

Sincerely,



Dianna Houenou
Chairperson
New Jersey Cannabis Regulatory Commission