SUMMONS - CIVIL

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By authority of	the State of Connecticut, you	u are hereby commanded to make	due and le	gal service	of this su	ımmo	ons and attached complaint		
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plaintiff	Address. 165 Capitol Ave.,						P-01		
Additional plaintiff	Name Address.						P-02		
First	Name Raheem Mini Mar	t					D-01		
defendant	Address. 352 Main St., Mar	nchester, CT 06040							
Additional defendant	Name Address:		N64-74-141-4				D-02		
Additional defendant	Name Address						D-03		
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it must be filed on or before the second day after the Return Date. The Return Date is not a hearing date. You do not have to come to court on the Return Date unless you receive a separate notice telling you to appear.									
3. If you or your attorney do not file an <i>Appearance</i> on time, a default judgment may be entered against you You can get an <i>Appearance</i> form at the court address above, or on-line at https://jud.ct.gov/webforms/									
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Page 1 of 2

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DOCKET NUMBER: : RETURN DATE: MARCH 7, 2023

STATE OF CONNECTICUT, : SUPERIOR COURT

Plaintiff :

v. : JUDICIAL DISTRICT : OF HARTFORD

RAHEEM MINI MART, : FEBRUARY 9, 2023

COMPLAINT

I. INTRODUCTION

1. This is an action pursuant to the Connecticut Unfair Trade Practices Act ("CUTPA"), Chapter 735a of the Connecticut General Statutes (Conn. Gen. Stat. § 42-110m), to secure injunctive relief against the defendant which alleges unfair or deceptive acts and practices which violate Conn. Gen. Stat. § 42-110b, to obtain relief as is necessary to redress injury to consumers resulting from the defendant's violations of law, to obtain appropriate equitable relief, for civil penalties, and for other relief.

II. PARTIES

- 2. The Plaintiff is the State of Connecticut, represented by William Tong, Attorney General of the State of Connecticut, acting at the request of Michelle H. Seagull, Commissioner of Consumer Protection, pursuant to Conn. Gen. Stat. § 42-110m(a).
- 3. The defendant Raheem Mini Mart operates a retail establishment of the same name located at 352 Main St., Manchester, Connecticut.

III. JURISDICTION

4. The defendant has engaged in the conduct described below in the State of Connecticut. This Court has jurisdiction over this matter pursuant to CUTPA.

IV. VENUE

5. Venue is proper in the Superior Court for the judicial district of Hartford pursuant to Conn. Gen. Stat. § 42-110d.

V. FACTUAL ALLEGATIONS

A. Delta-8 Products

- 6. Delta-8 (or delta-8-tetrahydrocannabinol or delta-8 THC) is a naturally occurring chemical compound that is found in small traces in hemp and marijuana plants.
- 7. In 2018 Congress passed the Agriculture Improvement Act of 2018, commonly known as the 2018 Farm Bill, legalizing the growth and sale of hemp. Hemp is defined as a botanical class of the *cannabis sativa* plant that contains low concentrations of tetrahydrocannabinol ("THC"), the component in cannabinoids ("CBD") that produces psychotropic effects, *i.e.*, the feeling of being "high."
- 8. CBD can be chemically converted into delta-8 THC using solvent, acid, and heat to produce higher concentrations of THC. This process, however, can result in the presence of harmful contaminants in the end product.
- 9. Under the purported protection of the Farm Bill some manufacturers have been using these chemical processes to boost the THC levels of hemp to produce products, such as delta-8, that have the psychotropic effects of marijuana.

- 10. On September 14, 2021, the Centers for Disease Control (the "CDC") issued a Health Advisory warning the public about the increased availability of delta-8 products and adverse events associated with such products.¹
- 11. The CDC Advisory warned that the health effects of delta-8 have "not yet been researched extensively and are not well-understood" and further noted that "because testing methods for products like synthetically derived delta-8 THC are still being developed, delta-8 THC products may not be tested systematically for contaminants such as heavy metals, solvents, or pesticides that may have adverse health effects."
- 12. On May 4, 2022, the Food and Drug Administration ("FDA") issued a warning to the public about delta-8 products, stating that,
 - It is important for consumers to be aware that delta-8 THC products have not been evaluated or approved by the FDA for safe use in any context. They may be marketed in ways that put the public health at risk and should especially be kept out of reach of children and pets.²
- 13. In that same warning the FDA reported that national poison control centers received 2,362 exposure cases of delta-8 products between January 1, 2021 and February 28, 2022. Of the 2,362 exposure cases:

¹ https://emergency.cdc.gov/han/2021/pdf/CDC_HAN_451.pdf

² https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc

- 58% involved adults, 41% involved pediatric patients less than 18 years of age,
 and 1% did not report age.
- 40% involved unintentional exposure to delta-8 and 82% of these unintentional exposures affected pediatric patients.
- 70% required health care facility evaluation, of which 8% resulted in admission to a critical care unit; 45% of patients requiring health care facility evaluation were pediatric patients.
- One pediatric case was coded with a medical outcome of "death."3
- 14. Despite these warnings, and despite the lack of adequate testing for safety, delta 8 products are being sold across the U.S.—including in Connecticut—in various forms, including edibles.

B. The Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA")

- 15. In 2021 Connecticut enacted the Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA"), Public Act 21-1, Conn. Gen. Stat. § 21a-420 *et seq.*, creating a legal, regulated market for the sale of adult-use cannabis.
- 16. The Department of Consumer Protection (the "Department") maintains jurisdiction over the adult-use cannabis market and issues licenses to cannabis establishments, as defined by Conn. Gen. Stat. § 21a-420(4), including retail cannabis

³ <u>https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc</u>

establishments.

- 17. Under RERACA, only retailers licensed by the Department are permitted to sell cannabis products.
- 18. Among other things, RERACA expressly includes delta-8 within the definition of cannabis if the cannabis product exceeds 0.3 percent THC on a dry weight basis. Conn Gen. Stat. § 21a-240. Thus, the sale of products that purport to contain levels of THC above 0.3 percent by a retailer that does not hold a license to sell cannabis in Connecticut violates RERACA.
- 19. Pursuant to her authority under Conn. Gen. Stat. § 21a-421k to establish policies and procedures to protect the public health and safety, the Department commissioner issued extensive record-keeping, inventory control, advertising, packaging, and testing and safety standards governing the operations of producers, cultivators, product manufacturers, food and beverage manufacturers, and product packagers with respect to adult use cannabis. See Adult-Use Cannabis Policies and Procedures (hereinafter, the "Cannabis Policies and Procedures"), §§ 21a-XXX-1 through 21a-XXX-40.
- 20. The Cannabis Policies and Procedures require, *inter alia*, laboratory testing of cannabis products to ensure that the products do not contain harmful adulterants. See § 21a-XXX-30.
- 21. Additionally, the Cannabis Policies and Procedures include the following packaging requirements:

- a. The standard serving of an edible cannabis product shall contain not more than five milligrams of total THC.
- Each single standardized serving of an edible cannabis product in a multiple-serving package shall be physically demarcated and readily separable in a way that enables a reasonable person to easily determine
 - i. (1) how much of the edible cannabis product constitutes a single standardized serving and
 - ii. (2) the maximum possible amount of total THC contained in the entire package, provided that if such demarcation and separation is impracticable, then the entire package shall contain not more than five milligrams of total THC.
- c. A multiple-serving package of an edible cannabis product shall contain not more than one hundred milligrams of total THC.
- d. Packaging shall be child-resistant, tamper-resistant and light-resistant
- e. Packaging for cannabis intended for multiple-serving use shall be resealable in such a manner that is continuously child-resistant and preserves the integrity its contents.
- f. Packaging shall be entirely and uniformly white, and shall not incorporate any information, print, embossing, debossing, graphic or hidden feature, other than labeling required
- g. Packaging shall not be visually similar to (A) any commercially similar product that does not contain cannabis, or (B) packaging used for any good that is marketed to an audience reasonably expected to be under twenty-one years of age. § 21a-XXX-32.
- 22. The Cannabis Policies and Procedures also require that cannabis products contain the following on their labels:
 - a. A unique identifier generated by the Cannabis Analytic Tracking System
 - b. The following warning statement outlined by a red box: "This product is not FDA- approved, may be intoxicating, cause long-term physical and mental health problems, and have delayed side effects. It is illegal to operate a vehicle or machinery under the

influence of cannabis. Keep away from children." and at least one of the following warning statements:

- Warning: Frequent and prolonged use of cannabis can contribute to mental health problems over time, including anxiety, depression, stunted brain development and impaired memory.
- ii. Warning: Consumption while pregnant or breastfeeding may be harmful.
- iii. Warning: Cannabis has intoxicating effects and may be habit forming and addictive.
- iv. Warning: Consuming more than the recommended amount may result in adverse effects requiring medical attention.
- c. The following unobscured graphics, each in a size not less than one-half inch by one-half inch, which graphics shall not be used for any purpose other than as contemplated herein:



d. The following symbol issued by the department that indicates the package is not safe or legal for individuals under twenty-one years of



age:

e. A cannabis package may be labeled with a picture of the cannabis, such picture shall (1) clearly depict the size, shape and color of the cannabis, (2) not to obscure or overlap with any information required by section 21a-xxx-33 of these Policies and Procedures, and (3) not exceed twenty-five per cent of the surface of the cannabis package.

- f. No label shall appeal to persons under the age of twenty-one. § 21a-XXX-33.
- 23. RERACA prohibits cannabis establishments from advertising cannabis or cannabis products in a manner that appeals to individuals under twenty-one years of age. See Conn. Gen. Stat. § 21a-421 bb(b).
- 24. RERACA also provides that cannabis establishments are required to register brand names with the Department and, pursuant to Conn. Gen. Stat. § 21a-421 bb(e), the Department shall not register a brand name that, among other things, is identical to, or confusingly similar to, the name of an existing non-cannabis product.
- 25. The purpose of these requirements and prohibitions is to ensure that cannabis sold through the regulated market is safe; to provide accurate disclosures to Connecticut consumers concerning the effects and risks of consuming cannabis; to provide accurate information to Connecticut consumers regarding the THC levels of the cannabis products they may purchase; and to prevent the marketing, advertising and sale of cannabis to minors.

C. <u>Defendant's Course of Conduct</u>

- 26. Upon information and belief, the defendant offers for sale in its retail shop delta-8 products purporting to contain THC levels exceeding 0.3 percent THC.
- 27. Under Connecticut law, such products are considered cannabis and may only be sold by retail establishments that hold a retail cannabis establishment license with the Department of Consumer Protection.

- 28. Under Connecticut law, a retailer may only obtain cannabis from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
 - 29. The defendant does not hold a retail cannabis establishment license.
- 30. Upon information and belief, the defendant does not obtain the delta-8 cannabis products it offers for sale from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
- 31. Upon information and belief, the delta-8 products the defendant offers for sale are contained in packaging that is visually similar to commercially similar products, such as candy and/or snack foods, that do not contain cannabis and are packaged in a manner that is visually similar to goods, such as candy and/or snack foods, that are marketed to an audience reasonably expected to be under twenty-one years of age.
- 32. Upon information and belief, the delta-8 products the defendant offers for sale contain single standardized servings in excess of five milligrams per serving.
- 33. Upon information and belief, the delta-8 products the defendant offers for sale advertise total THC levels in excess of 100 milligrams.
- 34. Upon information and belief, the delta-8 products the defendant offers for sale are not packaged in containers that are child-resistant, tamper-resistant and light-resistant and are not resealable in such a manner that is continuously child-resistant and preserves the integrity of their contents.

- 35. Upon information and belief, the delta-8 products the defendant offers for sale are not contained in packaging that is entirely and uniformly white, and such packaging contains print and graphics on their labels in excess of what is required by Connecticut law.
- 36. Upon information and belief, the delta-8 products the defendant offers for sale do not contain a unique identifier generated by the Cannabis Analytic Tracking System on their labels.
- 37. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the mandatory warning statement regarding the intoxicating effects of cannabis and potentially unhealthy side effects.
- 38. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the unique graphic required under the Cannabis Policies and Procedures advising consumers that the product contains THC and does not contain the unique graphic required under the Cannabis Policies and Procedures warning consumers that the product is not safe or legal for individuals under the age of twenty-one.
- 39. Upon information and belief, the delta-8 products the defendant offers for sale are labeled in such a way as to appeal to individuals under the age of twenty-one.
- 40. Upon information and belief, the delta-8 products the defendant offers for sale were not cultivated or produced in facilities licensed by the Department of Consumer Protection and in a manner consistent with the Cannabis Policies and

Procedures.

41. Upon information and belief, the delta-8 products the defendant offers for sale were laboratory tested in accordance with Cannabis Policy and Procedure § 21-XXX-30.

VI. CAUSES OF ACTION

COUNT I: Deceptive Trade Practices in Violation of CUTPA

- 42. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 43. In connection with the advertising, marketing, offering for sale or sale of delta-8 products, the defendant represented, directly or indirectly, expressly or by implication, that the sale of such products was legal in Connecticut and that such products were manufactured in accordance with the rigorous safety standards set forth in RERACA and its accompanying Cannabis Policies and Procedures.
- 44. In truth and in fact, the delta-8 products the defendant offered for sale are not legally offered for sale in Connecticut by retailers, such as the defendant, that do not possess a cannabis retailer's license issued by the Department.
- 45. In truth and in fact, the delta-8 products the defendants offered for sale have not been manufactured in accordance with the safety standards and testing requirements set forth in RERACA and its accompanying Cannabis Policies and Procedures.

- 46. The defendant's acts and practices, as described herein, were likely to mislead Connecticut consumers acting reasonably under the circumstances to believe that the delta-8 products it offered for sale were being sold legally and in accordance with Connecticut law.
- 47. The defendant's representations were material to Connecticut consumers' decision to purchase such delta-8 products from the defendant.
- 48. The defendant therefore engaged in unfair or deceptive acts or practices in the act of trade or commerce in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT II - Unfair Trade Practices in Violation of CUTPA

- 49. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 50. The defendant's acts and practices violate the public policy set forth in RERACA and its accompanying Cannabis Policies and Procedures to promote a safe, regulated cannabis market by, among other things; (1) requiring cannabis products sold in Connecticut to be manufactured in facilities that meet strict safety standards; (2) requiring cannabis products to be laboratory tested for potentially harmful adulterants; and, (3) requiring strict packaging and labeling of cannabis products to provide important information to consumers about the product and to ensure that the products are not being marketed to individuals under the age of twenty-one.
- 51. The defendant's acts and practices as alleged herein are unethical, immoral, oppressive, and unscrupulous.

- 52. The defendant's acts and practices as alleged herein have caused substantial harm to Connecticut consumers inasmuch as it offered for sale cannabis products that did not meet appropriate health and safety standards, as set forth in RERACA and its accompanying Cannabis Policies and Procedures, and such products have the potential to adversely affect the health of Connecticut consumers and promote cannabis products to individuals under the age of twenty-one.
- 53. JUUL's acts and practices as alleged herein therefore constitute unfair acts or practices in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT III - Willfulness

- 54. The allegations contained in paragraphs 1-53 are incorporated by reference as if they were set out herein.
- 55. The defendant engaged in the aforementioned acts or practices alleged herein when it knew, or should have known, that its conduct was unfair or deceptive in violation of Conn. Gen. Stat. § 42-110b(a).

VII. PRAYER FOR RELIEF

Wherefore, the State prays for the following relief:

- 1. An order pursuant to Conn. Gen. Stat. § 42-110m(a) enjoining the defendant from engaging in any further violation of the Connecticut Unfair Trade Practices Act.
- 2. An order pursuant to Conn. Gen. Stat. § 42-110o(b) directing the defendant to pay civil penalties for each willful violation of Conn. Gen. Stat. § 42-110b.

- 3. An order pursuant to Conn. Gen. Stat. § 42-110m(a), directing the defendant to disgorge all gains achieved in whole or in part through the unfair acts or practices complained of herein.
- 4. An order pursuant to Conn. Gen. Stat. § 42-110m(a) directing the defendant to pay restitution.
 - 5. An award of attorneys' fees, pursuant to Conn. Gen. Stat. § 42-110m(a).
 - 6. Costs of suit.
 - 7. Such other and further relief as the Court deems appropriate.

 DATED this February 9, 2023.

Respectfully submitted,

PLAINTIFF STATE OF CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

/s/Jonathan J. Blake (juris no. 426816)
Jonathan J. Blake, Juris No. 426816
Assistant Attorney General
Office of the Attorney General
165 Capitol Avenue
Hartford, CT 06106
Phone: 860-808-5400
Fax: 808-808-5593
Jonathan.blake@ct.gov

SUMMONS - CIVIL

JD-CV-1 Rev 2-22

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Signed (Self-represented plaintiff)

summons or complaint

I certify I have read and understand the above

Docket Number

Date

DOCKET NUMBER: : RETURN DATE: MARCH 7, 2023

STATE OF CONNECTICUT, : SUPERIOR COURT

Plaintiff :

v. : JUDICIAL DISTRICT OF HARTFORD

AZ SMOKE SHOP AND WIRELESS,

Defendant : FEBRUARY 9, 2023

COMPLAINT

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1. This is an action pursuant to the Connecticut Unfair Trade Practices Act ("CUTPA"), Chapter 735a of the Connecticut General Statutes (Conn. Gen. Stat. § 42-110m), to secure injunctive relief against the defendant which alleges unfair or deceptive acts and practices which violate Conn. Gen. Stat. § 42-110b, to obtain relief as is necessary to redress injury to consumers resulting from the defendant's violations of law, to obtain appropriate equitable relief, for civil penalties, and for other relief.

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- 3. The defendant AZ Smoke Shop and Wireless operates a retail establishment of the same name located at 695 Main St., Manchester, Connecticut.

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- 13. In that same warning the FDA reported that national poison control centers received 2,362 exposure cases of delta-8 products between January 1, 2021 and February 28, 2022. Of the 2,362 exposure cases:

https://emergency.cdc.gov/han/2021/pdf/CDC_HAN_451.pdf

² https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc

- 58% involved adults, 41% involved pediatric patients less than 18 years of age,
 and 1% did not report age.
- 40% involved unintentional exposure to delta-8 and 82% of these unintentional exposures affected pediatric patients.
- 70% required health care facility evaluation, of which 8% resulted in admission to a critical care unit; 45% of patients requiring health care facility evaluation were pediatric patients.
- One pediatric case was coded with a medical outcome of "death."3
- 14. Despite these warnings, and despite the lack of adequate testing for safety, delta-8 products are being sold across the U.S.—including in Connecticut—in various forms, including edibles.

B. The Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA")

- 15. In 2021 Connecticut enacted the Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA"), Public Act 21-1, Conn. Gen. Stat. § 21a-420 *et seq.*, creating a legal, regulated market for the sale of adult-use cannabis.
- 16. The Department of Consumer Protection (the "Department") maintains jurisdiction over the adult-use cannabis market and issues licenses to cannabis establishments, as defined by Conn. Gen. Stat. § 21a-420(4), including retail cannabis

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establishments.

- 17. Under RERACA, only retailers licensed by the Department are permitted to sell cannabis products.
- 18. Among other things, RERACA expressly includes Delta-8 within the definition of cannabis if the cannabis product exceeds 0.3 percent THC on a dry weight basis Conn. Gen. Stat § 21a-240 Thus, the sale of products that purport to contain levels of THC above 0.3 percent by a retailer that does not hold a license to sell cannabis in Connecticut violates RERACA.
- 19. Pursuant to her authority under Conn. Gen. Stat. § 21a-421k to establish policies and procedures to protect the public health and safety, the Department commissioner issued extensive record-keeping, inventory control, advertising, packaging, and testing and safety standards governing the operations of producers, cultivators, product manufacturers, food and beverage manufacturers, and product packagers with respect to adult use cannabis. See Adult-Use Cannabis Policies and Procedures (hereinafter, the "Cannabis Policies and Procedures"), §§ 21a-XXX-1 through 21a-XXX-40.
- 20. The Cannabis Policies and Procedures require, *inter alia*, laboratory testing of cannabis products to ensure that the products do not contain harmful adulterants. See § 21a-XXX-30.
- 21. Additionally, the Cannabis Policies and Procedures include the following packaging requirements:

- a. The standard serving of an edible cannabis product shall contain not more than five milligrams of total THC.
- Each single standardized serving of an edible cannabis product in a multiple-serving package shall be physically demarcated and readily separable in a way that enables a reasonable person to easily determine
 - i. (1) how much of the edible cannabis product constitutes a single standardized serving and
 - ii. (2) the maximum possible amount of total THC contained in the entire package, provided that if such demarcation and separation is impracticable, then the entire package shall contain not more than five milligrams of total THC.
- c. A multiple-serving package of an edible cannabis product shall contain not more than one hundred milligrams of total THC.
- d. Packaging shall be child-resistant, tamper-resistant and light-resistant
- e. Packaging for cannabis intended for multiple-serving use shall be resealable in such a manner that is continuously child-resistant and preserves the integrity its contents.
- f. Packaging shall be entirely and uniformly white, and shall not incorporate any information, print, embossing, debossing, graphic or hidden feature, other than labeling required
- g. Packaging shall not be visually similar to (A) any commercially similar product that does not contain cannabis, or (B) packaging used for any good that is marketed to an audience reasonably expected to be under twenty-one years of age. § 21a-XXX-32.
- 22. The Cannabis Policies and Procedures also require that cannabis products contain the following on their labels:
 - a. A unique identifier generated by the Cannabis Analytic Tracking System
 - b. The following warning statement outlined by a red box: "This product is not FDA- approved, may be intoxicating, cause long-term physical and mental health problems, and have delayed side effects. It is illegal to operate a vehicle or machinery under the

influence of cannabis. Keep away from children." and at least one of the following warning statements:

- Warning: Frequent and prolonged use of cannabis can contribute to mental health problems over time, including anxiety, depression, stunted brain development and impaired memory.
- ii. Warning: Consumption while pregnant or breastfeeding may be harmful.
- iii. Warning: Cannabis has intoxicating effects and may be habit forming and addictive.
- iv. Warning: Consuming more than the recommended amount may result in adverse effects requiring medical attention.
- c. The following unobscured graphics, each in a size not less than one-half inch by one-half inch, which graphics shall not be used for any purpose other than as contemplated herein:



d. The following symbol issued by the department that indicates the package is not safe or legal for individuals under twenty-one years of



age:

e. A cannabis package may be labeled with a picture of the cannabis, such picture shall (1) clearly depict the size, shape and color of the cannabis, (2) not to obscure or overlap with any information required by section 21a-xxx-33 of these Policies and Procedures, and (3) not exceed twenty-five per cent of the surface of the cannabis package.

- f. No label shall appeal to persons under the age of twenty-one. § 21a-XXX-33.
- 23. RERACA prohibits cannabis establishments from advertising cannabis or cannabis products in a manner that appeals to individuals under twenty-one years of age. See Conn. Gen. Stat. § 21a-421 bb(b).
- 24. RERACA also provides that cannabis establishments are required to register brand names with the Department and, pursuant to Conn. Gen. Stat. § 21a-421 bb(e), the Department shall not register a brand name that, among other things, is identical to, or confusingly similar to, the name of an existing non-cannabis product.
- 25. The purpose of these requirements and prohibitions is to ensure that cannabis sold through the regulated market is safe; to provide accurate disclosures to Connecticut consumers concerning the effects and risks of consuming cannabis; to provide accurate information to Connecticut consumers regarding the THC levels of the cannabis products they may purchase; and to prevent the marketing, advertising and sale of cannabis to minors.

C. Defendant's Course of Conduct

- 26. Upon information and belief, the defendant offers for sale in its retail shop delta-8 products purporting to contain THC levels exceeding 0.3 percent THC.
- 27. Under Connecticut law, such products are considered cannabis and may only be sold by retail establishments that hold a retail cannabis establishment license with the Department of Consumer Protection.

- 28. Under Connecticut law, a retailer may only obtain cannabis from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
 - 29. The defendant does not hold a retail cannabis establishment license.
- 30. Upon information and belief, the defendant does not obtain the delta-8 cannabis products it offers for sale from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
- 31. Upon information and belief, the delta-8 products the defendant offers for sale are contained in packaging that is visually similar to commercially similar products, such as candy and/or snack foods, that do not contain cannabis and are packaged in a manner that is visually similar to goods, such as candy and/or snack foods, that are marketed to an audience reasonably expected to be under twenty-one years of age.
- 32. Upon information and belief, the delta-8 products the defendant offers for sale contain single standardized servings in excess of five milligrams per serving.
- 33. Upon information and belief, the delta-8 products the defendant offers for sale advertise total THC levels in excess of 100 milligrams.
- 34. Upon information and belief, the delta-8 products the defendant offers for sale are not packaged in containers that are child-resistant, tamper-resistant and light-resistant and are not resealable in such a manner that is continuously child-resistant and preserves the integrity of their contents.

- 35. Upon information and belief, the delta-8 products the defendant offers for sale are not contained in packaging that is entirely and uniformly white, and such packaging contains print and graphics on their labels in excess of what is required by Connecticut law.
- 36. Upon information and belief, the delta-8 products the defendant offers for sale do not contain a unique identifier generated by the Cannabis Analytic Tracking System on their labels.
- 37. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the mandatory warning statement regarding the intoxicating effects of cannabis and potentially unhealthy side effects.
- 38. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the unique graphic required under the Cannabis Policies and Procedures advising consumers that the product contains THC and does not contain the unique graphic required under the Cannabis Policies and Procedures warning consumers that the product is not safe or legal for individuals under the age of twenty-one.
- 39. Upon information and belief, the delta-8 products the defendant offers for sale are labeled in such a way as to appeal to individuals under the age of twenty-one.
- 40. Upon information and belief, the delta-8 products the defendant offers for sale were not cultivated or produced in facilities licensed by the Department of Consumer Protection and in a manner consistent with the Cannabis Policies and

Procedures.

41. Upon information and belief, the delta-8 products the defendant offers for sale were laboratory tested in accordance with Cannabis Policy and Procedure § 21-XXX-30.

VI. CAUSES OF ACTION

COUNT I: Deceptive Trade Practices in Violation of CUTPA

- 42. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 43. In connection with the advertising, marketing, offering for sale or sale of delta-8 products, the defendant represented, directly or indirectly, expressly or by implication, that the sale of such products was legal in Connecticut and that such products were manufactured in accordance with the rigorous safety standards set forth in RERACA and its accompanying Cannabis Policies and Procedures.
- 44. In truth and in fact, the delta-8 products the defendant offered for sale are not legally offered for sale in Connecticut by retailers, such as the defendant, that do not possess a cannabis retailer's license issued by the Department.
- 45. In truth and in fact, the delta-8 products the defendants offered for sale have not been manufactured in accordance with the safety standards and testing requirements set forth in RERACA and its accompanying Cannabis Policies and Procedures.

- 46. The defendant's acts and practices, as described herein, were likely to mislead Connecticut consumers acting reasonably under the circumstances to believe that the delta-8 products it offered for sale were being sold legally and in accordance with Connecticut law.
- 47. The defendant's representations were material to Connecticut consumers' decision to purchase such delta-8 products from the defendant.
- 48. The defendant therefore engaged in unfair or deceptive acts or practices in the act of trade or commerce in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT II - Unfair Trade Practices in Violation of CUTPA

- 49. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 50. The defendant's acts and practices violate the public policy set forth in RERACA and its accompanying Cannabis Policies and Procedures to promote a safe, regulated cannabis market by, among other things; (1) requiring cannabis products sold in Connecticut to be manufactured in facilities that meet strict safety standards; (2) requiring cannabis products to be laboratory tested for potentially harmful adulterants; and, (3) requiring strict packaging and labeling of cannabis products to provide important information to consumers about the product and to ensure that the products are not being marketed to individuals under the age of twenty-one.
- 51. The defendant's acts and practices as alleged herein are unethical, immoral, oppressive, and unscrupulous.

- 52. The defendant's acts and practices as alleged herein have caused substantial harm to Connecticut consumers inasmuch as it offered for sale cannabis products that did not meet appropriate health and safety standards, as set forth in RERACA and its accompanying Cannabis Policies and Procedures, and such products have the potential to adversely affect the health of Connecticut consumers and promote cannabis products to individuals under the age of twenty-one.
- 53. JUUL's acts and practices as alleged herein therefore constitute unfair acts or practices in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT III - Willfulness

- 54. The allegations contained in paragraphs 1-53 are incorporated by reference as if they were set out herein.
- 55. The defendant engaged in the aforementioned acts or practices alleged herein when it knew, or should have known, that its conduct was unfair or deceptive in violation of Conn. Gen. Stat. § 42-110b(a).

VII. PRAYER FOR RELIEF

Wherefore, the State prays for the following relief:

- 1. An order pursuant to Conn. Gen. Stat. § 42-110m(a) enjoining the defendant from engaging in any further violation of the Connecticut Unfair Trade Practices Act.
- 2. An order pursuant to Conn. Gen. Stat. § 42-110o(b) directing the defendant to pay civil penalties for each willful violation of Conn. Gen. Stat. § 42-110b.

- 3. An order pursuant to Conn. Gen. Stat. § 42-110m(a), directing the defendant to disgorge all gains achieved in whole or in part through the unfair acts or practices complained of herein.
- 4. An order pursuant to Conn. Gen. Stat. § 42-110m(a) directing the defendant to pay restitution.
 - 5. An award of attorneys' fees, pursuant to Conn. Gen. Stat. § 42-110m(a).
 - 6. Costs of suit.
 - 7. Such other and further relief as the Court deems appropriate.

DATED this February 9, 2023.

Respectfully submitted,

PLAINTIFF STATE OF CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

/s/Jonathan J. Blake (juris no. 426816)

Jonathan J. Blake, Juris No. 426816 Assistant Attorney General

Office of the Attorney General 165 Capitol Avenue

Hartford, CT 06106 Phone: 860-808-5400

Fax: 808-808-5593 Jonathan.blake@ct.gov

SUMMONS - CIVIL

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I certify I have read and understand the above

Date

Docket Number

DOCKET NUMBER: : RETURN DATE: MARCH 7, 2023

STATE OF CONNECTICUT, : SUPERIOR COURT

Plaintiff

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SMOKERS PARADISE, : FEBRUARY 9, 2023

COMPLAINT

I. INTRODUCTION

1. This is an action pursuant to the Connecticut Unfair Trade Practices Act ("CUTPA"), Chapter 735a of the Connecticut General Statutes (Conn. Gen. Stat. § 42-110m), to secure injunctive relief against the defendant which alleges unfair or deceptive acts and practices which violate Conn. Gen. Stat. § 42-110b, to obtain relief as is necessary to redress injury to consumers resulting from the defendant's violations of law, to obtain appropriate equitable relief, for civil penalties, and for other relief.

II. PARTIES

- 2. The Plaintiff is the State of Connecticut, represented by William Tong, Attorney General of the State of Connecticut, acting at the request of Michelle H. Seagull, Commissioner of Consumer Protection, pursuant to Conn. Gen. Stat. § 42-110m(a).
- 3. The defendant Smokers Paradise operates a retail establishment of the same name located at 320 Main St., East Hartford, Connecticut.

III. JURISDICTION

4. The defendant has engaged in the conduct described below in the State of Connecticut. This Court has jurisdiction over this matter pursuant to CUTPA.

IV. VENUE

5. Venue is proper in the Superior Court for the judicial district of Hartford pursuant to Conn. Gen. Stat. § 42-110d.

V. FACTUAL ALLEGATIONS

A. Delta-8 Products

- 6. Delta-8 (or delta-8-tetrahydrocannabinol or delta-8 THC) is a naturally occurring chemical compound that is found in small traces in hemp and marijuana plants.
- 7. In 2018 Congress passed the Agriculture Improvement Act of 2018, commonly known as the 2018 Farm Bill, legalizing the growth and sale of hemp. Hemp is defined as a botanical class of the *cannabis sativa* plant that contains low concentrations of tetrahydrocannabinol ("THC"), the component in cannabinoids ("CBD") that produces psychotropic effects, *i e*, the feeling of being "high."
- 8. CBD can be chemically converted into delta-8 THC using solvent, acid, and heat to produce higher concentrations of THC. This process, however, can result in the presence of harmful contaminants in the end product.
- 9. Under the purported protection of the Farm Bill some manufacturers have been using these chemical processes to boost the THC levels of hemp to produce products, such as delta-8, that have the psychotropic effects of marijuana.

- 10. On September 14, 2021, the Centers for Disease Control (the "CDC") issued a Health Advisory warning the public about the increased availability of delta-8 products and adverse events associated with such products.¹
- 11. The CDC Advisory warned that the health effects of delta-8 have "not yet been researched extensively and are not well-understood" and further noted that "because testing methods for products like synthetically derived delta-8 THC are still being developed, delta-8 THC products may not be tested systematically for contaminants such as heavy metals, solvents, or pesticides that may have adverse health effects."
- 12. On May 4, 2022, the Food and Drug Administration ("FDA") issued a warning to the public about delta-8 products, stating that,
 - It is important for consumers to be aware that delta-8 THC products have not been evaluated or approved by the FDA for safe use in any context. They may be marketed in ways that put the public health at risk and should especially be kept out of reach of children and pets.²
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- 35. Upon information and belief, the delta-8 products the defendant offers for sale are not contained in packaging that is entirely and uniformly white, and such packaging contains print and graphics on their labels in excess of what is required by Connecticut law.
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- 37. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the mandatory warning statement regarding the intoxicating effects of cannabis and potentially unhealthy side effects.
- 38. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the unique graphic required under the Cannabis Policies and Procedures advising consumers that the product contains THC and does not contain the unique graphic required under the Cannabis Policies and Procedures warning consumers that the product is not safe or legal for individuals under the age of twenty-one.
- 39. Upon information and belief, the delta-8 products the defendant offers for sale are labeled in such a way as to appeal to individuals under the age of twenty-one.
- 40. Upon information and belief, the delta-8 products the defendant offers for sale were not cultivated or produced in facilities licensed by the Department of Consumer Protection and in a manner consistent with the Cannabis Policies and

Procedures.

41. Upon information and belief, the delta-8 products the defendant offers for sale were laboratory tested in accordance with Cannabis Policy and Procedure § 21-XXX-30.

VI. CAUSES OF ACTION

COUNT I: Deceptive Trade Practices in Violation of CUTPA

- 42. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 43. In connection with the advertising, marketing, offering for sale or sale of delta-8 products, the defendant represented, directly or indirectly, expressly or by implication, that the sale of such products was legal in Connecticut and that such products were manufactured in accordance with the rigorous safety standards set forth in RERACA and its accompanying Cannabis Policies and Procedures.
- 44. In truth and in fact, the delta-8 products the defendant offered for sale are not legally offered for sale in Connecticut by retailers, such as the defendant, that do not possess a cannabis retailer's license issued by the Department.
- 45. In truth and in fact, the delta-8 products the defendants offered for sale have not been manufactured in accordance with the safety standards and testing requirements set forth in RERACA and its accompanying Cannabis Policies and Procedures.

- 46. The defendant's acts and practices, as described herein, were likely to mislead Connecticut consumers acting reasonably under the circumstances to believe that the delta-8 products it offered for sale were being sold legally and in accordance with Connecticut law.
- 47. The defendant's representations were material to Connecticut consumers' decision to purchase such delta-8 products from the defendant.
- 48. The defendant therefore engaged in unfair or deceptive acts or practices in the act of trade or commerce in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT II – Unfair Trade Practices in Violation of CUTPA

- 49. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- The defendant's acts and practices violate the public policy set forth in RERACA and its accompanying Cannabis Policies and Procedures to promote a safe, regulated cannabis market by, among other things; (1) requiring cannabis products sold in Connecticut to be manufactured in facilities that meet strict safety standards; (2) requiring cannabis products to be laboratory tested for potentially harmful adulterants; and, (3) requiring strict packaging and labeling of cannabis products to provide important information to consumers about the product and to ensure that the products are not being marketed to individuals under the age of twenty-one.
- 51. The defendant's acts and practices as alleged herein are unethical, immoral, oppressive, and unscrupulous.

- 52. The defendant's acts and practices as alleged herein have caused substantial harm to Connecticut consumers inasmuch as it offered for sale cannabis products that did not meet appropriate health and safety standards, as set forth in RERACA and its accompanying Cannabis Policies and Procedures, and such products have the potential to adversely affect the health of Connecticut consumers and promote cannabis products to individuals under the age of twenty-one.
- 53. JUUL's acts and practices as alleged herein therefore constitute unfair acts or practices in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT III - Willfulness

- 54. The allegations contained in paragraphs 1-53 are incorporated by reference as if they were set out herein.
- 55. The defendant engaged in the aforementioned acts or practices alleged herein when it knew, or should have known, that its conduct was unfair or deceptive in violation of Conn. Gen. Stat. § 42-110b(a).

VII. PRAYER FOR RELIEF

Wherefore, the State prays for the following relief:

- 1. An order pursuant to Conn. Gen. Stat. § 42-110m(a) enjoining the defendant from engaging in any further violation of the Connecticut Unfair Trade Practices Act.
- 2. An order pursuant to Conn. Gen. Stat. § 42-110o(b) directing the defendant to pay civil penalties for each willful violation of Conn. Gen. Stat. § 42-110b.

- 3. An order pursuant to Conn. Gen. Stat. § 42-110m(a), directing the defendant to disgorge all gains achieved in whole or in part through the unfair acts or practices complained of herein.
- 4. An order pursuant to Conn. Gen. Stat. § 42-110m(a) directing the defendant to pay restitution.
 - 5. An award of attorneys' fees, pursuant to Conn. Gen. Stat. § 42-110m(a).
 - 6. Costs of suit.
 - 7. Such other and further relief as the Court deems appropriate.

DATED this February 9, 2023.

Respectfully submitted,

PLAINTIFF STATE OF CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

/s/Jonathan J. Blake (juris no. 426816)

Jonathan J. Blake, Juris No. 426816 Assistant Attorney General

Office of the Attorney General

165 Capitol Avenue Hartford, CT 06106

Phone: 860-808-5400 Fax: 808-808-5593

SUMMONS - CIVIL

JD-CV-1 Rev 2-22 CGS §§ 51-346, 51-347, 51-349, 51-350 52-45a, 52-48, 52-259, PB §§ 3-1 through 3-21, 8-1, 10-13

For information on ADA accommodations, contact a court clerk or go to: www.jud.ct.gov/ADA.



D-04

Form JD-CV-2 attached for additional parties

Instructions ar	e on page 2.									
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defendant	Address 700 But	nside Av	e., East Hartford, CT 06082						*******	
Additional	Name									D-02
defendant	Address.									
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Notice to each defendant

Total number of plaintiffs:

Address:

Address

Name

defendant

Additional

defendant

1 You are being sued This is a summons in a lawsuit The complaint attached states the claims the plaintiff is making against you

Total number of defendants: 1

- 2 To receive further notices, you or your attorney must file an Appearance (form JD-CL-12) with the clerk at the address above Generally, it must be filed on or before the second day after the Return Date. The Return Date is not a hearing date. You do not have to come to court on the Return Date unless you receive a separate notice telling you to appear
- 3. If you or your attorney do not file an Appearance on time, a default judgment may be entered against you You can get an Appearance form at the court address above, or on-line at https://jud.ct.gov/webforms/
- 4. If you believe that you have insurance that may cover the claim being made against you in this lawsuit, you should immediately contact your insurance representative. Other actions you may take are described in the Connecticut Practice Book, which may be found in a superior court law library or on-line at https://www.jud.ct.gov/pb.htm

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Print Form

Page 1 of 2

Reset Form

DOCKET NUMBER: : RETURN DATE: MARCH 7, 2023

STATE OF CONNECTICUT, : SUPERIOR COURT

Plaintiff : JUDICIAL DISTRICT

v. : OF HARTFORD

7 PUFF, : FEBRUARY 9, 2023

COMPLAINT

I. INTRODUCTION

1. This is an action pursuant to the Connecticut Unfair Trade Practices Act ("CUTPA"), Chapter 735a of the Connecticut General Statutes (Conn. Gen. Stat. § 42-110m), to secure injunctive relief against the defendant which alleges unfair or deceptive acts and practices which violate Conn. Gen. Stat. § 42-110b, to obtain relief as is necessary to redress injury to consumers resulting from the defendant's violations of law, to obtain appropriate equitable relief, for civil penalties, and for other relief.

II. PARTIES

- 2. The Plaintiff is the State of Connecticut, represented by William Tong, Attorney General of the State of Connecticut, acting at the request of Michelle H. Seagull, Commissioner of Consumer Protection, pursuant to Conn. Gen. Stat. § 42-110m(a).
- 3. The defendant 7 Puff operates a retail establishment of the same name located at 700 Burnside Avenue, A2, East Hartford, Connecticut.

III. JURISDICTION

4. The defendant has engaged in the conduct described below in the State of Connecticut. This Court has jurisdiction over this matter pursuant to CUTPA.

IV. VENUE

5. Venue is proper in the Superior Court for the judicial district of Hartford pursuant to Conn. Gen. Stat. § 42-110d.

V. FACTUAL ALLEGATIONS

A. Delta-8 Products

- 6. Delta-8 (or delta-8-tetrahydrocannabinol or delta-8 THC) is a naturally occurring chemical compound that is found in small traces in hemp and marijuana plants.
- 7. In 2018 Congress passed the Agriculture Improvement Act of 2018, commonly known as the 2018 Farm Bill, legalizing the growth and sale of hemp. Hemp is defined as a botanical class of the *cannabis sativa* plant that contains low concentrations of tetrahydrocannabinol ("THC"), the component in cannabinoids ("CBD") that produces psychotropic effects, *i.e*, the feeling of being "high."
- 8. CBD can be chemically converted into delta-8 THC using solvent, acid, and heat to produce higher concentrations of THC. This process, however, can result in the presence of harmful contaminants in the end product.
- 9. Under the purported protection of the Farm Bill some manufacturers have been using these chemical processes to boost the THC levels of hemp to produce products, such as delta-8, that have the psychotropic effects of marijuana.

- 10. On September 14, 2021, the Centers for Disease Control (the "CDC") issued a Health Advisory warning the public about the increased availability of delta-8 products and adverse events associated with such products.¹
- 11. The CDC Advisory warned that the health effects of delta-8 have "not yet been researched extensively and are not well-understood" and further noted that "because testing methods for products like synthetically derived delta-8 THC are still being developed, delta-8 THC products may not be tested systematically for contaminants such as heavy metals, solvents, or pesticides that may have adverse health effects."
- 12. On May 4, 2022, the Food and Drug Administration ("FDA") issued a warning to the public about delta-8 products, stating that,
 - It is important for consumers to be aware that delta-8 THC products have not been evaluated or approved by the FDA for safe use in any context. They may be marketed in ways that put the public health at risk and should especially be kept out of reach of children and pets.²
- 13. In that same warning the FDA reported that national poison control centers received 2,362 exposure cases of delta-8 products between January 1, 2021 and February 28, 2022. Of the 2,362 exposure cases:

¹ https://emergency.cdc.gov/han/2021/pdf/CDC_HAN__451.pdf

² https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc

- 58% involved adults, 41% involved pediatric patients less than 18 years of age,
 and 1% did not report age.
- 40% involved unintentional exposure to delta-8 and 82% of these unintentional exposures affected pediatric patients.
- 70% required health care facility evaluation, of which 8% resulted in admission to a critical care unit; 45% of patients requiring health care facility evaluation were pediatric patients.
- One pediatric case was coded with a medical outcome of "death."3
- 14. Despite these warnings, and despite the lack of adequate testing for safety, delta 8 products are being sold across the U.S.—including in Connecticut—in various forms, including edibles.

B. The Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA")

- 15. In 2021 Connecticut enacted the Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA"), Public Act 21-1, Conn. Gen. Stat. § 21a-420 *et seq.*, creating a legal, regulated market for the sale of adult-use cannabis.
- 16. The Department of Consumer Protection (the "Department") maintains jurisdiction over the adult-use cannabis market and issues licenses to cannabis establishments, as defined by Conn. Gen. Stat. § 21a-420(4), including retail cannabis

 $^{^{3} \ \}underline{\text{https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc}$

establishments.

- 17. Under RERACA, only retailers licensed by the Department are permitted to sell cannabis products.
- 18. Among other things, RERACA expressly includes delta-8 within the definition of cannabis if the cannabis product exceeds 0.3 percent THC on a dry weight basis. Conn. Gen. Stat. § 21a-240. Thus, the sale of products that purport to contain levels of THC above 0.3 percent by a retailer that does not hold a license to sell cannabis in Connecticut violates RERACA.
- 19. Pursuant to her authority under Conn. Gen. Stat. § 21a-421k to establish policies and procedures to protect the public health and safety, the Department commissioner issued extensive record-keeping, inventory control, advertising, packaging, and testing and safety standards governing the operations of producers, cultivators, product manufacturers, food and beverage manufacturers, and product packagers with respect to adult use cannabis. See Adult-Use Cannabis Policies and Procedures (hereinafter, the "Cannabis Policies and Procedures"), §§ 21a-XXX-1 through 21a-XXX-40.
- 20. The Cannabis Policies and Procedures require, *Inter alia*, laboratory testing of cannabis products to ensure that the products do not contain harmful adulterants. See § 21a-XXX-30.
- 21. Additionally, the Cannabis Policies and Procedures include the following packaging requirements:

- a. The standard serving of an edible cannabis product shall contain not more than five milligrams of total THC.
- Each single standardized serving of an edible cannabis product in a multiple-serving package shall be physically demarcated and readily separable in a way that enables a reasonable person to easily determine
 - i. (1) how much of the edible cannabis product constitutes a single standardized serving and
 - ii. (2) the maximum possible amount of total THC contained in the entire package, provided that if such demarcation and separation is impracticable, then the entire package shall contain not more than five milligrams of total THC.
- c. A multiple-serving package of an edible cannabis product shall contain not more than one hundred milligrams of total THC.
- d. Packaging shall be child-resistant, tamper-resistant and light-resistant
- e. Packaging for cannabis intended for multiple-serving use shall be resealable in such a manner that is continuously child-resistant and preserves the integrity its contents.
- f. Packaging shall be entirely and uniformly white, and shall not incorporate any information, print, embossing, debossing, graphic or hidden feature, other than labeling required
- g. Packaging shall not be visually similar to (A) any commercially similar product that does not contain cannabis, or (B) packaging used for any good that is marketed to an audience reasonably expected to be under twenty-one years of age. § 21a-XXX-32.
- 22. The Cannabis Policies and Procedures also require that cannabis products contain the following on their labels:
 - a. A unique identifier generated by the Cannabis Analytic Tracking System
 - b. The following warning statement outlined by a red box: "This product is not FDA- approved, may be intoxicating, cause long-term physical and mental health problems, and have delayed side effects. It is illegal to operate a vehicle or machinery under the

influence of cannabis. Keep away from children." and at least one of the following warning statements:

- Warning: Frequent and prolonged use of cannabis can contribute to mental health problems over time, including anxiety, depression, stunted brain development and impaired memory.
- ii. Warning: Consumption while pregnant or breastfeeding may be harmful.
- iii. Warning: Cannabis has intoxicating effects and may be habit forming and addictive.
- iv. Warning: Consuming more than the recommended amount may result in adverse effects requiring medical attention.
- c. The following unobscured graphics, each in a size not less than one-half inch by one-half inch, which graphics shall not be used for any purpose other than as contemplated herein:



d. The following symbol issued by the department that indicates the package is not safe or legal for individuals under twenty-one years of



age:

e. A cannabis package may be labeled with a picture of the cannabis, such picture shall (1) clearly depict the size, shape and color of the cannabis, (2) not to obscure or overlap with any information required by section 21a-xxx-33 of these Policies and Procedures, and (3) not exceed twenty-five per cent of the surface of the cannabis package.

- f. No label shall appeal to persons under the age of twenty-one. § 21a-XXX-33.
- 23. RERACA prohibits cannabis establishments from advertising cannabis or cannabis products in a manner that appeals to individuals under twenty-one years of age. See Conn. Gen. Stat. § 21a-421 bb(b).
- 24. RERACA also provides that cannabis establishments are required to register brand names with the Department and, pursuant to Conn. Gen. Stat. § 21a-421 bb(e), the Department shall not register a brand name that, among other things, is identical to, or confusingly similar to, the name of an existing non-cannabis product.
- 25. The purpose of these requirements and prohibitions is to ensure that cannabis sold through the regulated market is safe; to provide accurate disclosures to Connecticut consumers concerning the effects and risks of consuming cannabis; to provide accurate information to Connecticut consumers regarding the THC levels of the cannabis products they may purchase; and to prevent the marketing, advertising and sale of cannabis to minors.

C. <u>Defendant's Course of Conduct</u>

- 26. Upon information and belief, the defendant offers for sale in its retail shop delta-8 products purporting to contain THC levels exceeding 0.3 percent THC.
- 27. Under Connecticut law, such products are considered cannabis and may only be sold by retail establishments that hold a retail cannabis establishment license with the Department of Consumer Protection.

- 28. Under Connecticut law, a retailer may only obtain cannabis from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
 - 29. The defendant does not hold a retail cannabis establishment license.
- 30. Upon information and belief, the defendant does not obtain the delta-8 cannabis products it offers for sale from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
- 31. Upon information and belief, the delta-8 products the defendant offers for sale are contained in packaging that is visually similar to commercially similar products, such as candy and/or snack foods, that do not contain cannabis and are packaged in a manner that is visually similar to goods, such as candy and/or snack foods, that are marketed to an audience reasonably expected to be under twenty-one years of age.
- 32. Upon information and belief, the delta-8 products the defendant offers for sale contain single standardized servings in excess of five milligrams per serving.
- 33. Upon information and belief, the delta-8 products the defendant offers for sale advertise total THC levels in excess of 100 milligrams.
- 34. Upon information and belief, the delta-8 products the defendant offers for sale are not packaged in containers that are child-resistant, tamper-resistant and light-resistant and are not resealable in such a manner that is continuously child-resistant and preserves the integrity of their contents.

- 35. Upon information and belief, the delta-8 products the defendant offers for sale are not contained in packaging that is entirely and uniformly white, and such packaging contains print and graphics on their labels in excess of what is required by Connecticut law.
- 36. Upon information and belief, the delta-8 products the defendant offers for sale do not contain a unique identifier generated by the Cannabis Analytic Tracking System on their labels.
- 37. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the mandatory warning statement regarding the intoxicating effects of cannabis and potentially unhealthy side effects.
- 38. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the unique graphic required under the Cannabis Policies and Procedures advising consumers that the product contains THC and does not contain the unique graphic required under the Cannabis Policies and Procedures warning consumers that the product is not safe or legal for individuals under the age of twenty-one.
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- 40. Upon information and belief, the delta-8 products the defendant offers for sale were not cultivated or produced in facilities licensed by the Department of Consumer Protection and in a manner consistent with the Cannabis Policies and

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- 44. In truth and in fact, the delta-8 products the defendant offered for sale are not legally offered for sale in Connecticut by retailers, such as the defendant, that do not possess a cannabis retailer's license issued by the Department.
- 45. In truth and in fact, the delta-8 products the defendants offered for sale have not been manufactured in accordance with the safety standards and testing requirements set forth in RERACA and its accompanying Cannabis Policies and Procedures.

- 46. The defendant's acts and practices, as described herein, were likely to mislead Connecticut consumers acting reasonably under the circumstances to believe that the delta-8 products it offered for sale were being sold legally and in accordance with Connecticut law.
- 47. The defendant's representations were material to Connecticut consumers' decision to purchase such delta-8 products from the defendant.
- 48. The defendant therefore engaged in unfair or deceptive acts or practices in the act of trade or commerce in violation of Conn. Gen. Stat. § 42-110b(a).

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- 49. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
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- 4. An order pursuant to Conn. Gen. Stat. § 42-110m(a) directing the defendant to pay restitution.
 - 5. An award of attorneys' fees, pursuant to Conn. Gen. Stat. § 42-110m(a).
 - 6. Costs of suit.
 - 7. Such other and further relief as the Court deems appropriate.

 DATED this February 9, 2023.

Respectfully submitted,

PLAINTIFF STATE OF CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

/s/Jonathan J. Blake (juris no. 426816)
Jonathan J. Blake, Juris No. 426816
Assistant Attorney General
Office of the Attorney General
165 Capitol Avenue
Hartford, CT 06106

Phone: 860-808-5400 Fax: 808-808-5593 Jonathan.blake@ct.gov

SUMMONS - CIVIL

summons or complaint

I certify I have read and understand the above

JD-CV-1 Rev 2-22 C G S §§ 51-346, 51-347 51-349, 51-350, 52-45a, 52-48, 52-259 P B §§ 3-1 through 3-21, 8-1 10-13 For information on ADA accommodations, contact a court clerk or go to: www.jud.ct.gov/ADA.



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Docket Number

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DOCKET NUMBER: : RETURN DATE: MARCH 7, 2023

STATE OF CONNECTICUT, : SUPERIOR COURT

Plaintiff

v. : JUDICIAL DISTRICT : OF HARTFORD

: ANTHONY'S SERVICE STATION, INC. :

Defendant : FEBRUARY 9, 2023

COMPLAINT

I. INTRODUCTION

1. This is an action pursuant to the Connecticut Unfair Trade Practices Act ("CUTPA"), Chapter 735a of the Connecticut General Statutes (Conn. Gen. Stat. § 42-110m), to secure injunctive relief against the defendant which alleges unfair or deceptive acts and practices which violate Conn. Gen. Stat. § 42-110b, to obtain relief as is necessary to redress injury to consumers resulting from the defendant's violations of law, to obtain appropriate equitable relief, for civil penalties, and for other relief.

II. PARTIES

- 2. The Plaintiff is the State of Connecticut, represented by William Tong, Attorney General of the State of Connecticut, acting at the request of Michelle H. Seagull, Commissioner of Consumer Protection, pursuant to Conn. Gen. Stat. § 42-110m(a).
- 3. The defendant Anthony's Service Station, Inc., operates a retail establishment of the same name located at 136 East Main St., Plainville, Connecticut.

III. JURISDICTION

4. The defendant has engaged in the conduct described below in the State of Connecticut. This Court has jurisdiction over this matter pursuant to CUTPA.

IV. VENUE

5. Venue is proper in the Superior Court for the judicial district of Hartford pursuant to Conn. Gen. Stat. § 42-110d.

V. FACTUAL ALLEGATIONS

A. Delta-8 Products

- 6. Delta-8 (or delta-8-tetrahydrocannabinol or delta-8 THC) is a naturally occurring chemical compound that is found in small traces in hemp and marijuana plants.
- 7. In 2018 Congress passed the Agriculture Improvement Act of 2018, commonly known as the 2018 Farm Bill, legalizing the growth and sale of hemp. Hemp is defined as a botanical class of the *cannabis sativa* plant that contains low concentrations of tetrahydrocannabinol ("THC"), the component in cannabinoids ("CBD") that produces psychotropic effects, *i.e.*, the feeling of being "high."
- 8. CBD can be chemically converted into delta-8 THC using solvent, acid, and heat to produce higher concentrations of THC. This process, however, can result in the presence of harmful contaminants in the end product.
- 9. Under the purported protection of the Farm Bill some manufacturers have been using these chemical processes to boost the THC levels of hemp to produce products, such as delta-8, that have the psychotropic effects of marijuana.

- 10. On September 14, 2021, the Centers for Disease Control (the "CDC") issued a Health Advisory warning the public about the increased availability of delta-8 products and adverse events associated with such products.¹
- 11. The CDC Advisory warned that the health effects of delta-8 have "not yet been researched extensively and are not well-understood" and further noted that "because testing methods for products like synthetically derived delta-8 THC are still being developed, delta-8 THC products may not be tested systematically for contaminants such as heavy metals, solvents, or pesticides that may have adverse health effects."
- 12. On May 4, 2022, the Food and Drug Administration ("FDA") issued a warning to the public about delta-8 products, stating that,
 - It is important for consumers to be aware that delta-8 THC products have not been evaluated or approved by the FDA for safe use in any context. They may be marketed in ways that put the public health at risk and should especially be kept out of reach of children and pets.²
- 13. In that same warning the FDA reported that national poison control centers received 2,362 exposure cases of delta-8 products between January 1, 2021 and February 28, 2022. Of the 2,362 exposure cases:

https://emergency.cdc.gov/han/2021/pdf/CDC_HAN__451.pdf

² https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc

- 58% involved adults, 41% involved pediatric patients less than 18 years of age,
 and 1% did not report age.
- 40% involved unintentional exposure to delta-8 and 82% of these unintentional exposures affected pediatric patients.
- 70% required health care facility evaluation, of which 8% resulted in admission to a critical care unit; 45% of patients requiring health care facility evaluation were pediatric patients.
- One pediatric case was coded with a medical outcome of "death."3
- 14. Despite these warnings, and despite the lack of adequate testing for safety, delta-8 products are being sold across the U.S.—including in Connecticut—in various forms, including edibles.

B. The Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA")

- 15. In 2021 Connecticut enacted the Responsible and Equitable Regulation of Adult-Use Cannabis Act ("RERACA"), Public Act 21-1, Conn. Gen. Stat. § 21a-420 *et seq.*, creating a legal, regulated market for the sale of adult-use cannabis.
- 16. The Department of Consumer Protection (the "Department") maintains jurisdiction over the adult-use cannabis market and issues licenses to cannabis establishments, as defined by Conn. Gen. Stat. § 21a-420(4), including retail cannabis

 $^{^{3} \ \}underline{\text{https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc}$

establishments.

- 17. Under RERACA, only retailers licensed by the Department are permitted to sell cannabis products.
- 18. Among other things, RERACA expressly includes delta-8 within the definition of cannabis if the cannabis product exceeds 0.3 percent THC on a dry weight basis. Conn. Gen. Stat. § 21a-240. Thus, the sale of products that purport to contain levels of THC above 0.3 percent by a retailer that does not hold a license to sell cannabis in Connecticut violates RERACA.
- 19. Pursuant to her authority under Conn. Gen. Stat. § 21a-421k to establish policies and procedures to protect the public health and safety, the Department commissioner issued extensive record-keeping, inventory control, advertising, packaging, and testing and safety standards governing the operations of producers, cultivators, product manufacturers, food and beverage manufacturers, and product packagers with respect to adult use cannabis. See Adult-Use Cannabis Policies and Procedures (hereinafter, the "Cannabis Policies and Procedures"), §§ 21a-XXX-1 through 21a-XXX-40.
- 20. The Cannabis Policies and Procedures require, *inter alia*, laboratory testing of cannabis products to ensure that the products do not contain harmful adulterants. See § 21a-XXX-30.
- 21. Additionally, the Cannabis Policies and Procedures include the following packaging requirements:

- a. The standard serving of an edible cannabis product shall contain not more than five milligrams of total THC.
- Each single standardized serving of an edible cannabis product in a multiple-serving package shall be physically demarcated and readily separable in a way that enables a reasonable person to easily determine
 - i. (1) how much of the edible cannabis product constitutes a single standardized serving and
 - ii. (2) the maximum possible amount of total THC contained in the entire package, provided that if such demarcation and separation is impracticable, then the entire package shall contain not more than five milligrams of total THC.
- c. A multiple-serving package of an edible cannabis product shall contain not more than one hundred milligrams of total THC.
- d. Packaging shall be child-resistant, tamper-resistant and light-resistant
- e. Packaging for cannabis intended for multiple-serving use shall be resealable in such a manner that is continuously child-resistant and preserves the integrity its contents.
- f. Packaging shall be entirely and uniformly white, and shall not incorporate any information, print, embossing, debossing, graphic or hidden feature, other than labeling required
- g. Packaging shall not be visually similar to (A) any commercially similar product that does not contain cannabis, or (B) packaging used for any good that is marketed to an audience reasonably expected to be under twenty-one years of age. § 21a-XXX-32.
- 22. The Cannabis Policies and Procedures also require that cannabis products contain the following on their labels:
 - a. A unique identifier generated by the Cannabis Analytic Tracking System
 - b. The following warning statement outlined by a red box: "This product is not FDA- approved, may be intoxicating, cause long-term physical and mental health problems, and have delayed side effects. It is illegal to operate a vehicle or machinery under the

influence of cannabis. Keep away from children." and at least one of the following warning statements:

- Warning: Frequent and prolonged use of cannabis can contribute to mental health problems over time, including anxiety, depression, stunted brain development and impaired memory.
- ii. Warning: Consumption while pregnant or breastfeeding may be harmful.
- iii. Warning: Cannabis has intoxicating effects and may be habit forming and addictive.
- iv. Warning: Consuming more than the recommended amount may result in adverse effects requiring medical attention.
- c. The following unobscured graphics, each in a size not less than one-half inch by one-half inch, which graphics shall not be used for any purpose other than as contemplated herein:



d. The following symbol issued by the department that indicates the package is not safe or legal for individuals under twenty-one years of



age:

e. A cannabis package may be labeled with a picture of the cannabis, such picture shall (1) clearly depict the size, shape and color of the cannabis, (2) not to obscure or overlap with any information required by section 21a-xxx-33 of these Policies and Procedures, and (3) not exceed twenty-five per cent of the surface of the cannabis package.

- f. No label shall appeal to persons under the age of twenty-one. § 21a-XXX-33.
- 23. RERACA prohibits cannabis establishments from advertising cannabis or cannabis products in a manner that appeals to individuals under twenty-one years of age. See Conn. Gen. Stat. § 21a-421 bb(b).
- 24. RERACA also provides that cannabis establishments are required to register brand names with the Department and, pursuant to Conn. Gen. Stat. § 21a-421 bb(e), the Department shall not register a brand name that, among other things, is identical to, or confusingly similar to, the name of an existing non-cannabis product.
- 25. The purpose of these requirements and prohibitions is to ensure that cannabis sold through the regulated market is safe; to provide accurate disclosures to Connecticut consumers concerning the effects and risks of consuming cannabis; to provide accurate information to Connecticut consumers regarding the THC levels of the cannabis products they may purchase; and to prevent the marketing, advertising and sale of cannabis to minors.

C. <u>Defendant's Course of Conduct</u>

- 26. Upon information and belief, the defendant offers for sale in its retail shop delta-8 products purporting to contain THC levels exceeding 0.3 percent THC.
- 27. Under Connecticut law, such products are considered cannabis and may only be sold by retail establishments that hold a retail cannabis establishment license with the Department of Consumer Protection.

- 28. Under Connecticut law, a retailer may only obtain cannabis from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
 - 29. The defendant does not hold a retail cannabis establishment license.
- 30. Upon information and belief, the defendant does not obtain the delta-8 cannabis products it offers for sale from a licensed cultivator, micro-cultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter.
- 31. Upon information and belief, the delta-8 products the defendant offers for sale are contained in packaging that is visually similar to commercially similar products, such as candy and/or snack foods, that do not contain cannabis and are packaged in a manner that is visually similar to goods, such as candy and/or snack foods, that are marketed to an audience reasonably expected to be under twenty-one years of age.
- 32. Upon information and belief, the delta-8 products the defendant offers for sale contain single standardized servings in excess of five milligrams per serving.
- 33. Upon information and belief, the delta-8 products the defendant offers for sale advertise total THC levels in excess of 100 milligrams.
- 34. Upon information and belief, the delta-8 products the defendant offers for sale are not packaged in containers that are child-resistant, tamper-resistant and light-resistant and are not resealable in such a manner that is continuously child-resistant and preserves the integrity of their contents.

- 35. Upon information and belief, the delta-8 products the defendant offers for sale are not contained in packaging that is entirely and uniformly white, and such packaging contains print and graphics on their labels in excess of what is required by Connecticut law.
- 36. Upon information and belief, the delta-8 products the defendant offers for sale do not contain a unique identifier generated by the Cannabis Analytic Tracking System on their labels.
- 37. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the mandatory warning statement regarding the intoxicating effects of cannabis and potentially unhealthy side effects.
- 38. Upon information and belief, the delta-8 products the defendant offers for sale do not contain the unique graphic required under the Cannabis Policies and Procedures advising consumers that the product contains THC and does not contain the unique graphic required under the Cannabis Policies and Procedures warning consumers that the product is not safe or legal for individuals under the age of twenty-one.
- 39. Upon information and belief, the delta-8 products the defendant offers for sale are labeled in such a way as to appeal to individuals under the age of twenty-one.
- 40. Upon information and belief, the delta-8 products the defendant offers for sale were not cultivated or produced in facilities licensed by the Department of Consumer Protection and in a manner consistent with the Cannabis Policies and

Procedures.

41. Upon information and belief, the delta-8 products the defendant offers for sale were laboratory tested in accordance with Cannabis Policy and Procedure § 21-XXX-30.

VI. CAUSES OF ACTION

COUNT I: Deceptive Trade Practices in Violation of CUTPA

- 42. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- 43. In connection with the advertising, marketing, offering for sale or sale of delta-8 products, the defendant represented, directly or indirectly, expressly or by implication, that the sale of such products was legal in Connecticut and that such products were manufactured in accordance with the rigorous safety standards set forth in RERACA and its accompanying Cannabis Policies and Procedures.
- 44. In truth and in fact, the delta-8 products the defendant offered for sale are not legally offered for sale in Connecticut by retailers, such as the defendant, that do not possess a cannabis retailer's license issued by the Department.
- 45. In truth and in fact, the delta-8 products the defendants offered for sale have not been manufactured in accordance with the safety standards and testing requirements set forth in RERACA and its accompanying Cannabis Policies and Procedures.

- 46. The defendant's acts and practices, as described herein, were likely to mislead Connecticut consumers acting reasonably under the circumstances to believe that the delta-8 products it offered for sale were being sold legally and in accordance with Connecticut law.
- 47. The defendant's representations were material to Connecticut consumers' decision to purchase such delta-8 products from the defendant.
- 48. The defendant therefore engaged in unfair or deceptive acts or practices in the act of trade or commerce in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT II – Unfair Trade Practices in Violation of CUTPA

- 49. The allegations contained in paragraphs 1–41 are incorporated by reference as if they were set out herein.
- The defendant's acts and practices violate the public policy set forth in RERACA and its accompanying Cannabis Policies and Procedures to promote a safe, regulated cannabis market by, among other things; (1) requiring cannabis products sold in Connecticut to be manufactured in facilities that meet strict safety standards; (2) requiring cannabis products to be laboratory tested for potentially harmful adulterants; and, (3) requiring strict packaging and labeling of cannabis products to provide important information to consumers about the product and to ensure that the products are not being marketed to individuals under the age of twenty-one.
- 51. The defendant's acts and practices as alleged herein are unethical, immoral, oppressive, and unscrupulous.

- 52. The defendant's acts and practices as alleged herein have caused substantial harm to Connecticut consumers inasmuch as it offered for sale cannabis products that did not meet appropriate health and safety standards, as set forth in RERACA and its accompanying Cannabis Policies and Procedures, and such products have the potential to adversely affect the health of Connecticut consumers and promote cannabis products to individuals under the age of twenty-one.
- 53. JUUL's acts and practices as alleged herein therefore constitute unfair acts or practices in violation of Conn. Gen. Stat. § 42-110b(a).

COUNT III - Willfulness

- 54. The allegations contained in paragraphs 1-53 are incorporated by reference as if they were set out herein.
- 55. The defendant engaged in the aforementioned acts or practices alleged herein when it knew, or should have known, that its conduct was unfair or deceptive in violation of Conn. Gen. Stat. § 42-110b(a).

VII. PRAYER FOR RELIEF

Wherefore, the State prays for the following relief:

- 1. An order pursuant to Conn. Gen. Stat. § 42-110m(a) enjoining the defendant from engaging in any further violation of the Connecticut Unfair Trade Practices Act.
- 2. An order pursuant to Conn. Gen. Stat. § 42-110o(b) directing the defendant to pay civil penalties for each willful violation of Conn. Gen. Stat. § 42-110b.

- 3. An order pursuant to Conn. Gen. Stat. § 42-110m(a), directing the defendant to disgorge all gains achieved in whole or in part through the unfair acts or practices complained of herein.
- 4. An order pursuant to Conn. Gen. Stat. § 42-110m(a) directing the defendant to pay restitution.
 - 5. An award of attorneys' fees, pursuant to Conn. Gen. Stat. § 42-110m(a).
 - 6. Costs of suit.
 - 7. Such other and further relief as the Court deems appropriate.

DATED this February 9, 2023.

Respectfully submitted,

PLAINTIFF STATE OF CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

/s/Jonathan J. Blake (juris no. 426816)

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