

Halo Infusion Product Note

Why All Topical Products are Adult Use Compliant

Dispensary operators are often confused regarding Arizona Statute and Rules for Edible and Topical products' THC limits. This is no surprise given that there are very common misconceptions regarding the applicability of the state's rules given differences between Arizona's Medical and Adult Use Marijuana programs.

This note is intended to clarify Arizona's statutes and rules regarding the difference between Edible and Topical products dosing for Adult Use sale. More specifically, Topical products do not fall under edible product dosing limits and are only limited by the limits of concentrate used to make them (5000mg concentrate per product), as it relates to retail sale.

We reference the Arizona Revised Statutes and AZDHS Adult Use Marijuana Rules below. First of all, the specific reference to dosing in *Edible Marijuana Products in the Adult Use Marijuana statute* is:

Marijuana Products are defined in "A.R.S. 36-2850":

"23. "Marijuana products" means marijuana concentrate and products that are composed of marijuana and other ingredients and that are intended for use or consumption, including edible products, ointments and tinctures.

From Arizona Revised Statute "A.R.S 36-2854(A)(7)":

"7. The potency of edible marijuana products that may be sold to consumers by marijuana establishments at reasonable levels on consideration of industry standards, except that the rules:

(a) Shall limit the strength of edible marijuana products to not more than ten milligrams of tetrahydrocannabinol per serving or one hundred milligrams of tetrahydrocannabinol per package."

Topical products are defined in the Adult Use Marijuana Rules:

"R9-18-101 Definitions"

"27. "Topical" means intended for use through application to the surface of the skin of an individual."

Edible food products are defined in the Adult Use Marijuana Rules:

"R9-18-101 Definitions"

"15. "Edible food product" means a substance, beverage, or ingredient used or intended for use or for sale in whole or in part for human oral consumption."

Per Adult Use Marijuana Rules: R9-18-313. "Edible Food Products":

"A. A marijuana establishment that prepares, sells, or otherwise transfers marijuana-infused edible food products shall:

5. If a marijuana establishment sells or otherwise transfers marijuana-infused edible food products, ensure that the marijuana-infused edible food products:

a. Are sold or otherwise transferred according to applicable requirements in 9 A.A.C. 8, Article 1;

- b. *In compliance with A.R.S § 36-2854(A)(7), contain no more total tetrahydrocannabinol than:
 - i. 10 mg of per serving; or
 - ii. 100 mg per package; and”*

Per Adult Use Rules: R9-18-309.

“Selling or Otherwise Transferring Marijuana or a Marijuana Product”:

“A. Before a marijuana facility agent of a marijuana establishment sells or otherwise transfers marijuana or a marijuana product to a consumer, the marijuana facility agent shall:

- 3. Ensure that the amount of marijuana or marijuana product to be sold or otherwise transferred to the consumer does not exceed one ounce of marijuana, with not more than five grams being in the form of a marijuana concentrate.”*

Halo Infusions' Topical products are *Marijuana Products* that are *not consumed orally*, are *not defined as “Edible Food Products”* for which 10mg/100mg dosing rules apply, and *do not exceed Adult Use purchase limits of “5 grams in the form of a marijuana concentrate.”*

In short, current Arizona statutes and rules do not limit the amount of THC (or CBD) in a Topical product, with the exception of the retail sale of a product containing no more than five (5) grams of concentrate. Five grams of concentrate would equal anywhere from 3000-5000mg of THC, dependent on the percentage THC (RSO vs Distillate vs Isolate). All Halo Topical products (and other manufacturers for that matter) fall well below this limit.