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November 12, 2024

Ryan Stump Chief Operating Officer & Agent Charlie's Holdings, Inc. 1007 Brioso Drive Costa Mesa, CA 92627 info@spreebar.com

Charlie's Holdings, Inc. Attn: Elaine Selan 416 W San Ysidro Blvd L-1958 San Ysidro, CA 92173

RE: California Flavor Ban, Health & Safety Code § 104559.5

Notice of Determination 24-11-A10-1

Dear Mr. Stump:

Since December 21, 2022, California has restricted retailer possession, distribution, and sale of flavored tobacco products. *See* Cal. Health & Saf. § 104559.5. This California "flavor ban" law establishes a rebuttable presumption that a tobacco product is flavored where its manufacturer "has made a statement or claim directed to consumers or to the public that the tobacco product has or produces a characterizing flavor, including, but not limited to, text, color, images, or all, on the product's labeling or packaging that are used to explicitly or implicitly communicate that the tobacco product has a characterizing flavor." *Id.* at § 104559.5(b)(2).

As of January 1, 2025, Assembly Bill 3218's amendments to the flavor ban go into effect. This includes amending the definition of "tobacco products" to include "a product containing, made, or derived from. . . nicotinic alkaloids and nicotine analogs." Cal. Health & Saf. § 104559.5(a). The Reviewed Product(s) contain Metatine, a brand name for a "synthetic nicotine analogue." Sven E. Jordt & Sairam V. Jabba, *Introduction of Nicotine Analogue-Containing Oral Pouch Products in the United States* (Sep. 20, 2024) (Pre-Print), available at https://www.researchsquare.com/article/rs-5110349/v1. Furthermore, the flavor ban already applies to "electronic device[s] that deliver[] . . . other vaporized liquids to the person inhaling from the device." Cal. Health & Saf. § 104559.5(a).

This letter is to advise you that the Tobacco Unit of the California Department of Justice has reviewed referred packaging and promotional materials for the product(s) below and determined that they are presumptively FLAVORED under the California flavor ban law as of January 1, 2025. *Id.*

Determination Number	Reviewed Product(s)	UPC(s)	Determination
24-11-A10-1	Panchamama Blueberry	Various	FLAVORED
	Watermelon Pomegranate		
24-11-A10-2	Panchamama Lemon Apple	Various	FLAVORED
	Ice		
24-11-A10-3	Panchamama Mango Lemon Lychee	Various	FLAVORED
24-11-A10-4	Panchamama Peach Pear Ice	Various	FLAVORED
24-11-A10-5	Panchamama Strawberry Orange Banana	Various	FLAVORED
24-11-A10-6	Panchamama Strawberry Passionfruit Ice	Various	FLAVORED
24-11-A10-7	Panchamama Strawberry Kiwi Ice	Various	FLAVORED
24-11-A10-8	Panchamama Pineapple Lush Ice	Various	FLAVORED
24-11-A10-9	Spree Bar Rainbow Fruit	Various	FLAVORED
24-11-A10-10	Spree Bar Blue Razz Ice	Various	FLAVORED
24-11-A10-11	Spree Bar Strawberry Apple Melon	Various	FLAVORED
24-11-A10-12	Spree Bar Blood Orange Peach	Various	FLAVORED
24-11-A10-13	Spree Bar Watermelon Grapefruit	Various	FLAVORED
24-11-A10-14	Spree Bar Strawberry Mango	Various	FLAVORED
24-11-A10-15	Spree Bar Creamy Melon	Various	FLAVORED
24-11-A10-16	Spree Bar Sweet Spearmint	Various	FLAVORED
24-11-A10-17	Spree Bar Pineapple Coconut	Various	FLAVORED

We specifically conclude:

(1) Statement(s) on your packaging and website communicate that the Reviewed Products(s) imparts flavors of fruit and/or mint. *See* TAB A.

The California flavor ban law restricts the retail distribution and sale of flavored tobacco products to California consumers. Under the California flavor ban law, retailers and their agents are subject to fines for the possession and sale of such flavored tobacco products. *See* Cal. Health & Saf. § 104559.5(f). Other state statutes and local ordinances may impose additional penalties on retailers or other vendors as well. *Id.* at § 104559.5(g); *see also* Cal. Bus. & Prof. § 17200. To encourage uniform application of the California flavor ban law, this Notice of Determination will be posted on the California Department of Justice's public website.

Notice of Determination 23-11-A10 November 12, 2024 Page 3

You are encouraged to provide a copy to your California distributor and retailer customers as well.

If you believe these determinations or conclusions are in error, or if you believe any Reviewed Product(s) is properly classified as UNFLAVORED, we encourage you to submit a response with any supporting materials to the mailing or email address below on or before December 12, 2024, identifying the Notice of Determination number in your response. The Tobacco Unit will review any such submission and may, in its discretion, update, modify, or rescind this determination in response. In such case, an updated Notice of Determination will be issued.

Flavor Determination [Determination Number(s)]
Office of the Attorney General
California Department of Justice
1300 "T" Street, PO Box 944255
Sacramento, California 94244-2550
Tobacco@doj.ca.gov

https://oag.ca.gov/tobacco/contact

Sincerely,

/s/ Taylor Ann Whittemore

TAYLOR ANN WHITTEMORE Deputy Attorney General

For ROB BONTA Attorney General

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TAB A – PACKAGING IMAGES

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/, as of Nov. 5, 2024.



BLUEBERRY WATERMELON POMEGRANATE

Dive into a refreshing fusion where juicy blueberries, sweet watermelon, and tangy pomegranate create a burst of flavor in every puff. This vibrant blend is perfect for those who crave a luscious and invigorating vape.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/>, as of Nov. 5, 2024.



LEMON APPLE ICE

Experience the zesty tang of lemon and the crisp sweetness of apple, all enhanced with a cool, icy finish. This invigorating eliquid delivers a refreshing and delightful vaping experience.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/>, as of Nov. 5, 2024.



MANGO LEMON LYCHEE

Indulge in the exotic trio of ripe mango, zesty lemon, and succulent lychee. This tropical blend offers a unique and tantalizing taste adventure with every inhale.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/>, as of Nov. 5, 2024.



PEACH PEAR ICE

Enjoy the harmonious blend of juicy peaches and crisp pears, perfectly complemented by a refreshing icy undertone. This delightful e-liquid offers a smooth and stimulating vape.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/, as of Nov. 5, 2024.



STRAWBERRY ORANGE BANANA

Savor the delightful medley of sweet strawberries, tangy oranges, and creamy bananas. This fruity combination delivers a balanced and mouthwatering vape experience.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/>, as of Nov. 5, 2024.



STRAWBERRY PASSIONFRUIT ICE

Dive into the delicious blend of sweet strawberries and exotic passionfruit, finished with a refreshing icy twist. This e-liquid provides a tropical and uplifting vaping experience.

REVIEWED PRODUCT(S)

Panchamama, Products https://enjoypachamama.com/products/, as of Nov. 5, 2024.



STRAWBERRY KIWI ICE

Delight in the classic pairing of juicy strawberries and tangy rs, kiwi, enhanced by a cool, icy finish. This refreshing e-liquid s offers a perfectly balanced and revitalizing vape.

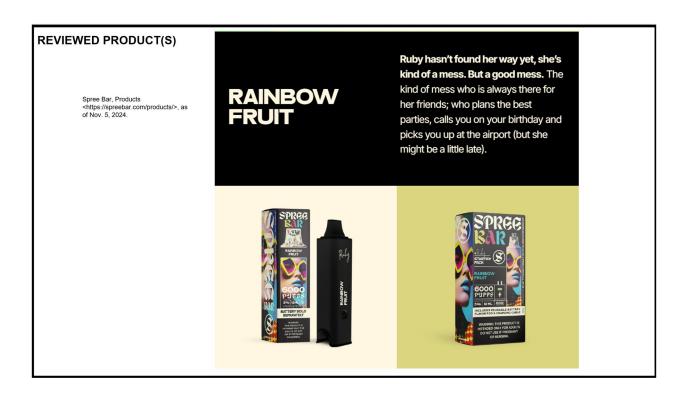
REVIEWED PRODUCT(S)

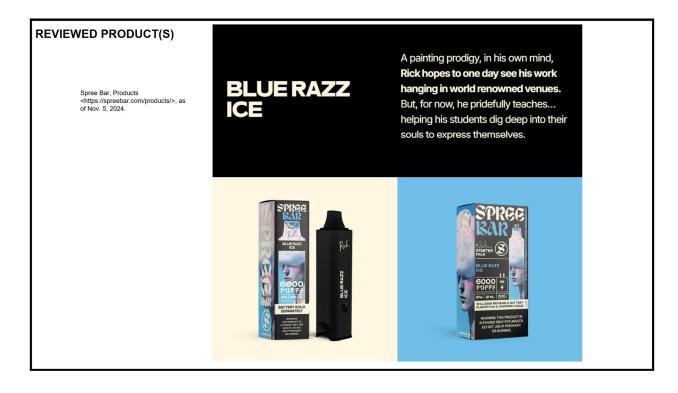
Panchamama, Products https://enjoypachamama.com/products/>, as of Nov. 5, 2024.

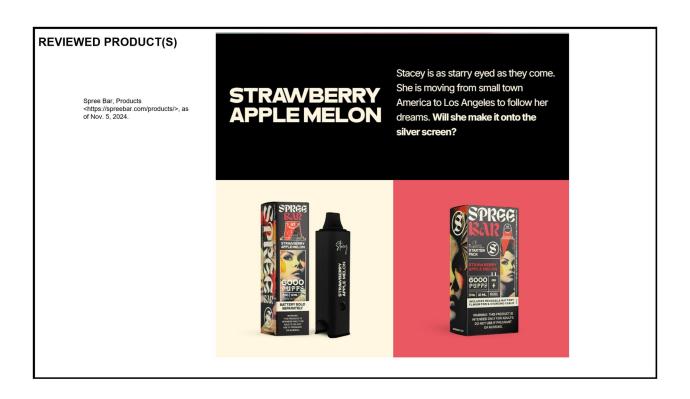


PINEAPPLE LUSH ICE

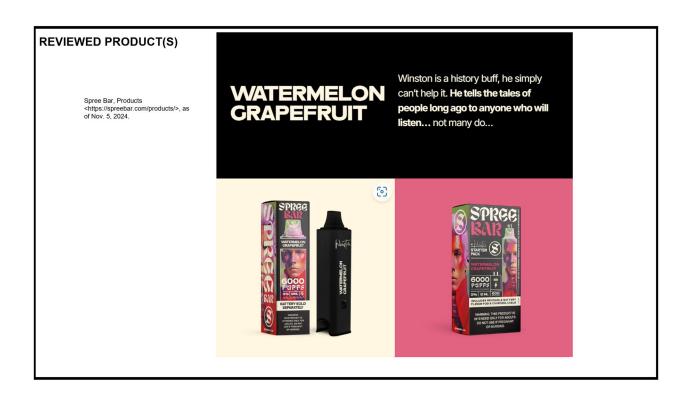
Enjoy the tropical sweetness of ripe pineapple and juicy watermelon, perfectly balanced with a crisp, icy finish. This eliquid delivers a refreshing and luscious vaping experience, perfect for any time of day.



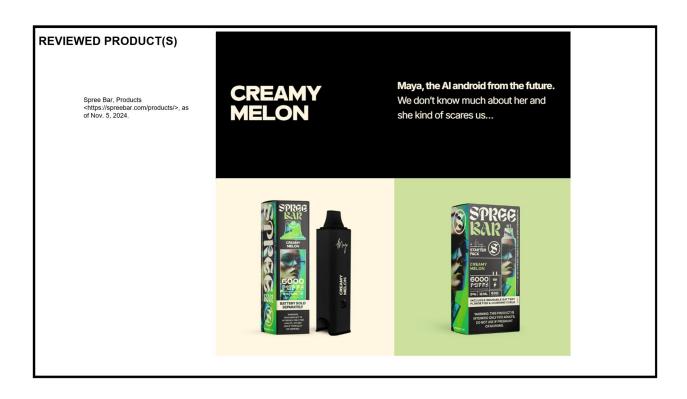
















TAB B – WEBSITE IMAGES

REVIEWED PRODUCT(S)

Panchamama, Product Information https://enjoypachamama.com/about-2/, as of Nov. 5, 2024.

Metatine™ is a patented non-nicotine compound that provides adult users with a strong sense of satisfaction that is largely indistinguishable from traditional vape products.

A synthetically derived molecule that is structurally similar to, but chemically different from other vaping alkaloids, Metatine is not made from, and does not contain, nicotine. In its natural state, Metatine is a colorless, odorless, liquid. It is considered an active ingredient and is currently found (only!) in premium PACHAMAMA e-liquid. Products containing Metatine may not be sold to anyone under the age of 21.

WHAT MAKES METATINE UNIQUE?

Metatine does not contain nicotine and is not derived from tobacco; accordingly Metatine products are exempt from nicotine excise taxes in many states, which can result in massive savings for retailers and consumers. Please check your local laws and regulations. Metatine can be combined with many flavors and is legal to sell in nearly all 50 states. Please check your local laws and regulations.

HOW DOES METATINE COMPARE TO NICOTINE?

Metatine, when delivered via PACHAMAMA, provides the same satisfaction, pleasure and enjoyment as traditional tobacco products and nicotine e-cigarettes. Of note, while Metatine is chemically distinct from nicotine, it may still be addictive, may have a toxicity profile similar to nicotine, and should only be used by current adult tobacco users and vapers, and never by minors (persons under the age of 21).

REVIEWED PRODUCT(S)

Spree Bar, Products https://spreebar.com/products/">https://spreebar.com/products/, as of Nov. 5, 2024.

FEATURING OUR PROPRIETARY INGREDIENT

Metatine[∞]

SPREE BAR is pre-filled with flavored eliquid containing proprietary Metatine". Metatine is a synthetically derived molecule that is structurally similar to, but chemically different from, other vaping alkaloids. Although Metanine produces the same sensation as nicotine and may also be addictive, Metatine is not made or derived from tobacco or nicotine, and Metatine does not consist of or contain nicotine from any SPREE BAR products containing Metatine (and no tobacco-derived materials or nicotine) do not meet the definition of a "tobacco product" in the Federal Food, Drug, and Cosmetic Act and do not require a Pre-Market Tobacco Application (PMTA) to be sold in the US.

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