

SETTLEMENT AGREEMENT

Effective March 18, 2025 (the "Effective Date"), the State of Maine Department of Administrative and Financial Services ("DAFS" or "the Department") and Licensee, Nova Farms Maine, LLC (ACD 608), (collectively, "the Parties") enter into this Settlement Agreement (the "Agreement").

The Licensee is Nova Farms Maine, LLC ("Nova Farms Maine"). Nova Farms Maine's owners and principals are Derek Ross, and John F. Kenyon.

On January 17, 2025, Dean Goodale, Director of Licensing, Office of Cannabis Policy ("OCP"), DAFS, issued a Notice of Administrative Action Including Monetary Penalty, concerning ACD 608 pursuant to the Cannabis Legalization Act, 28-B M.R.S. §§ 101-1102 (the "CLA"), and the rules governing the adult use cannabis program, 18-691 C.M.R. Chapters 5, 10, 20, 30, and 40.

This action is subject to an administrative hearing pursuant to 28-B M.R.S. §802-A and in accordance with the Maine Administrative Procedure Act, 5 M.R.S. §§ 9051-9064, and then potentially to judicial review pursuant to 5 M.R.S. §§ 11001-11002 and M.R. Civ. P. 80C.

NOW THEREFORE, as the Parties wish to settle this matter in consideration of the mutual promises set forth herein, rather than continue the hearing and appeals process, the Parties agree as follows:

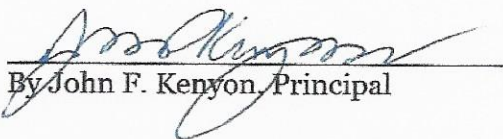
1. The parties have agreed that the issues outlined in the Notice dated January 17, 2025 have been adequately addressed.
2. The parties have agreed to a total administrative penalty of \$15,000. Nova Farms Maine shall pay this administrative penalty by July 16, 2025.
3. This Agreement sets forth the entire agreement of the Parties in relation to the conduct described above and in the Notice dated January 17, 2025, and any amendment hereof shall be in writing. Representations that are not contained in the Agreement or subsequent written amendment shall have no effect.
4. The Parties agree that once this agreement is signed an administrative hearing on the Notices of Administrative Action is no longer necessary.
5. The Parties acknowledge that this Agreement and its reduction to final written

form is the result of good faith negotiations between the Parties. The Parties have carefully reviewed and examined this Agreement before execution by said Parties. Any statute or rule of construction that requires ambiguities to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

6. This Agreement shall be governed by the laws of the State of Maine.
7. The Parties agree that this Agreement is binding upon, and inures to the benefit of, the Parties and their successors and assigns.
8. The signatory for DAFS, Dean Goodale, represents that he is duly authorized and empowered to execute this Agreement on behalf of DAFS, and that his signature is enough to legally bind DAFS to the terms of this Agreement.
9. The signatory for the Licensee, Nova Farms Maine, represents that he is duly authorized and empowered to execute this Agreement on behalf of Licensee and that his signature is enough to legally bind Licensee to the terms of this Agreement.

IN WITNESS WHEREOF, the duly authorized representative of DAFS, and John Kenyon, have signed this Agreement below:

NOVA FARMS MAINE, LLC


By John F. Kenyon, Principal

Date: 3/24/2025

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES


By Dean Goodale, Director of Compliance, OCP

Date: 3/25/2025