

## SETTLEMENT AGREEMENT

Effective this 26<sup>th</sup> day September 2022, the State of Maine Department of Administrative and Financial Services (“DAFS”) and Andelena R. Henderson of South Paris, Maine (collectively “the Parties”) enter in this Settlement Agreement.

Whereas the Petitioner Appellant in this matter was a registered caregiver pursuant to the Maine Medical Use of Marijuana Act, and on August 4, 2022, Michael W. Field, Director of Compliance for the Office of Cannabis Policy at DAFS sent Ms. Henderson a letter notifying her that DAFS was revoking her registry identification (“ID”) card effective three (3) days after the date of the letter; and

Whereas revocation is subject to an informal hearing pursuant to 22 M.R.S. §2430-F and then potentially to judicial review pursuant to 5 M.R.S. Chapter 375 and M.R.Civ.P. 80C, and Ms. Henderson exercised her right to request an informal hearing in this matter.

Now therefore, as the Parties wish to settle this matter in consideration of the mutual promises set forth herein rather than continue the appeals process, the parties agree as follows:

1. OCP, DAFS hereby rescinds the revocation of Ms. Henderson’s registry ID cards (CGR26112and CGE30131) once this agreement is signed. Instead, Ms. Henderson’s registry ID cards are suspended from August 7, 2022 to January 7, 2023.
2. The suspension of Ms. Henderson’s registry ID cards is based on Ms. Henderson’s conduct as stated in the August 4, 2022 letter including transferring medical marijuana to a person who was not a qualifying patient or otherwise authorized to have harvested marijuana; selling tobacco products without a retail tobacco license; and failing to maintain adequate business records including records of all transfers of harvested marijuana.
3. During the suspension, Ms. Henderson will not participate in the Maine Medical Use of Marijuana Program, including having or holding any direct or indirect financial interest in a business, caregiver or dispensary registered under this program. Allowing medical marijuana to be grown on any property in which she has or holds any ownership interest during this period of suspension would violate this agreement, except that:
  - a. any household member who is a qualifying patient may grow their authorized medical marijuana plants, and
  - b. Ms. Henderson’s husband, so long as he is a registered caregiver and has municipal approval, may operate the caregiver store, and may cultivate his registered caregiver medical marijuana in the areas previously used by Ms. Henderson, and she shall have no access to, or any financial interest in, the caregiver store, the marijuana plants or harvested marijuana (which includes marijuana concentrate and marijuana products) produced or possessed by her husband except to the extent of her marital interest therein and any financial benefits she receives from her spouse’s business income, and
  - c. any rent or fees charged by Ms. Henderson to her husband for use of real property she owns individually for his registered caregiver activities, including the store, must be fair rent or fees typically charged for properties that are similarly sized, situated, and used, and
  - d. Ms. Henderson shall be able to access the cultivation areas to provide professional construction, repair, and maintenance services under the direct supervision of her husband, that do not involve any maintenance or cultivation of the marijuana plants or any other marijuana touching or caregiver activities.
4. During the suspension, Ms. Henderson will not participate in the Adult Use Cannabis Program, including applying for an adult use individual identification card or an adult use cannabis establishment license under the Marijuana Legalization Act; and having or holding any direct or indirect financial interest in an adult use cannabis establishment. Allowing adult use cannabis to be grown on any property in which she has or holds any ownership interest during this period of suspension would violate this agreement, except that she and her household members may grow their own personal adult use cannabis plants in accordance with 28-B M.R.S. § 1502.
5. After the period of suspension ends on January 7, 2023, Ms. Henderson will have to apply anew for a caregiver registry ID card and will also be eligible to apply for other participation in the Maine Medical Marijuana Program and the Adult Use Cannabis Program.
6. After January 7, 2023, this suspension will not be considered a bar to Ms. Henderson’s participation in either the Maine Medical Marijuana Program or the Adult Use of

Cannabis Program.

7. Ms. Henderson agrees to take corrective action as outlined below, in addition to complying with all other requirements of program participation when she participates in the Maine Medical Marijuana Program after January 7, 2023:
  - a. Ms. Henderson shall keep adequate business records. All records, including patient transaction logs, shall be kept for the time required by law and available for DAFS inspections upon demand.
  - b. Ms. Henderson shall insure that she has any necessary authorizations in place before selling covered items such as a retail tobacco license if selling tobacco products.
  - c. Ms. Henderson shall only transfer medical marijuana to a qualifying patient, or to a registered caregiver or registered dispensary in a wholesale transaction.
8. Wind-down plan: Ms. Henderson has transferred any authorized harvested marijuana or products or plants to another registered caregiver.
9. DAFS reserves the right to take any appropriate action if Ms. Henderson is found engaging in conduct not authorized by, or in violation of, the law or this Settlement Agreement.
10. This Settlement Agreement sets forth the entire agreement of the Parties, and any amendment hereof shall be in writing. Representations that are not contained in the Agreement or subsequent written amendment shall have no effect. The parties agree that once this agreement is signed the informal hearing is no longer necessary.
11. The Parties acknowledge that this Agreement and its reduction to final written form is the result of good faith negotiations between the Parties; said Parties and their respective counsel have carefully reviewed and examined this Agreement before execution by said Parties; any statute or rule of construction that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
12. This Settlement Agreement shall be governed by the laws of the State of Maine.
13. The signatory for DAFS represents that he is duly authorized and empowered to execute this Settlement Agreement on behalf of DAFS, and that her signature is enough to legally bind DAFS to the terms of the Settlement Agreement.
14. Ms. Henderson represents that she is duly authorized and empowered to execute this Settlement Agreement on her behalf, and her signature is enough to legally bind herself, including any ownership interest she has in medical marijuana plants or harvested marijuana due to having been a registered caregiver, to the terms of the Settlement Agreement.

**IN WITNESS WHEREOF**, the duly authorized representative of DAFS, and Ms.

Henderson have signed this Agreement below:



Andelena R. Henderson

Date: 9-19-2022



Michael F. Field, Director of Compliance, OCP, DAFS

Date: 9/20/2022