

SETTLEMENT AGREEMENT

Effective this __28__ day February 2024, the State of Maine Department of Administrative and Financial Services (“DAFS” or “the Department”) and Jacob Jackson of Sanford, 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 Cannabis Act, and on December 21, 2023 Michael W. Field, Director of Compliance for the Office of Cannabis Policy (“OCP”) at DAFS sent Mr. Jackson a letter notifying him that DAFS was revoking his registry identification (“ID”) card; and

Whereas revocation is subject to an informal hearing pursuant to 22 M.R.S. §2430-I and then potentially to judicial review pursuant to 5 M.R.S. Chapter 375 and M.R.Civ.P. 80C, and Mr. Jackson exercised his 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 Mr. Jackson’s registry ID card (CGR28357) once this agreement is signed. Instead, Mr. Jackson’s registry ID card is suspended from February 12, 2024 to January 12, 2025.
2. The suspension of Mr. Jackson’s registry ID cards is based on Mr. Jackson’s conduct as stated in the December 21, 2023 letter namely making cannabis extracts using Inherently Hazardous Substances without giving required notices or getting proper safety certifications.
3. During the suspension, Mr. Jackson will not participate in the Maine Medical Use of Cannabis Program, including having or holding any direct or indirect financial interest in a business, caregiver or dispensary registered under this program. Allowing medical cannabis to be grown on any property in which he has or

holds any ownership interest during this period of suspension would violate this agreement, except that:

- a. Mr. Jackson may cultivate his own medical cannabis plants if he is a qualifying patient, and
 - b. Mr. Jackson may sublet or rent property he holds to a registered caregiver under the following conditions:
 - i. Mr. Jackson shall have no access to, or any financial interest in, the cannabis plants or harvested cannabis (which includes cannabis concentrate and cannabis products) produced or possessed by the registered caregiver subletting or renting from Mr. Jackson;
 - ii. Mr. Jackson shall ensure that any registered caregiver subletting or renting from him has a valid registry ID card from OCP to be a caregiver and meets applicable requirements;
 - iii. Any rent and/or fees charged to a registered caregiver by Mr. Jackson for the use of his property must be fair rent or fees typically charged for properties that are similarly sized, situated, and used; and
 - iv. Said rent and/or fees must be in lease agreements and those lease agreements for the use of his property covering any time from the execution of this agreement until January 12, 2025 will be provided to OCP in a timely manner.
4. During the suspension, Mr. Jackson 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 Cannabis 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 he has or holds any ownership interest during this period of suspension would violate this agreement, except that he may grow his

- own personal adult use cannabis plants in accordance with 28-B M.R.S. § 1502.
5. After the period of suspension ends on January 12, 2025, Mr. Jackson 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 Cannabis Program.
 6. Mr. Jackson agrees to take corrective action as outlined below, in addition to complying with all other requirements of program participation if he participates in the Maine Medical Cannabis Program after January 12, 2025:
 - a. Mr. Jackson shall obtain any required documentation or registration and get any required permission to do extraction using Inherently Hazardous Substances.
 - b. Mr. Jackson shall ensure that he properly verify credentials before employing any assistants.
 7. Wind-down plan: Mr. Jackson has transferred any authorized harvested cannabis or plants to another registered caregiver.
 8. DAFS reserves the right to take any appropriate action if Mr. Jackson is found engaging in conduct not authorized by, or in violation of, the law or this Settlement Agreement.
 9. This Settlement Agreement sets forth the entire agreement of the Parties relating to the events described above and in the letter of December 21, 2023, 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.
 10. 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 (if applicable) have carefully reviewed and examined this Agreement before execution by said Parties; and 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.

11. This Settlement Agreement shall be governed by the laws of the State of Maine.
12. The signatory for DAFS represents that he is duly authorized and empowered to execute this Settlement Agreement on behalf of DAFS, and that his signature is enough to legally bind DAFS to the terms of the Settlement Agreement.
13. Mr. Jackson represents that he is duly authorized and empowered to execute this Settlement Agreement on his behalf, and his signature is enough to legally bind himself, including any ownership interest he has in medical cannabis plants or harvested Cannabis due to having been a registered caregiver, to the terms of the Settlement Agreement.

IN WITNESS WHEREOF, the duly authorized representative of DAFS, and Mr. Jackson have signed this Agreement below.

REGISTERED CAREGIVER

Jacob Jackson

Jacob Jackson

Date: 2/21/2024

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

Michael W. Field

By Michael W. Field, its Director of Compliance,
Office of Cannabis Policy

Date: 2/28/2024