

SETTLEMENT AGREEMENT

Effective this 30 day September 2022, the State of Maine Department of Administrative and Financial Services (“DAFS”) and Steven Johnson (“Appellant”) of Lewiston, Maine (collectively “the Parties”) enter into this Settlement Agreement.

The Appellant in this matter was a registered caregiver pursuant to the Maine Medical Use of Marijuana Act, and on July 5, 2022, Michael W. Field, Director of Compliance for the Office of Cannabis Policy at DAFS sent Mr. Johnson a letter notifying him that DAFS was revoking his registry identification (“ID”) card effective three (3) days after the date of the letter. 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 Mr. Johnson 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. Johnson’s registry ID card (CGR30573) once this agreement is signed. Instead, Mr. Johnson’s registry ID card is suspended from July 8, 2022 to March 8, 2023.
2. The suspension of Mr. Johnson’s registry ID cards is based on Mr. Johnson’s conduct as stated in the July 5, 2022 letter—failing to verify customers were qualifying patients and selling medical marijuana to persons who were not qualifying patients or otherwise authorized to have harvested marijuana; using employees who were not registered; allowing unauthorized access to a cultivation area; selling edible products without the required food establishment license; selling tobacco products without the required retail tobacco license; and using packaging that was not tamper evident.
3. During the suspension, Mr. Johnson 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 he has or holds any ownership interest during this period of suspension would violate this agreement, except for medical marijuana plants grown by household members who are qualifying patients, and Mr. Johnson may rent or sublet his store and grow area to another qualified and approved caregiver.


4. During the suspension, Mr. Johnson 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 he has or holds any ownership interest during this period of suspension would violate this agreement, except that he and other household members over the age of 21, 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 March 8, 2023, Mr. Johnson 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 Marijuana Program.
6. After March 8, 2023, this suspension will not be considered a bar to Mr. Johnson's participation in either the Maine Medical Marijuana Program or the Adult Use of Marijuana Program.
7. Mr. Johnson agrees to take corrective action as outlined below, in addition to complying with all other requirements of program participation when he participates in the Maine Medical Marijuana Program after March 8, 2023:
 - a. Mr. Johnson shall ensure that he and any of his caregiver assistants properly verify whether a customer is a qualifying patient and shall only sell retail harvested marijuana to qualifying patients.
 - b. Mr. Johnson shall ensure that each employee who works for him has

an assistant registry identification card (RIC).

- c. Mr. Johnson shall cultivate medical marijuana plants only in secure cultivation areas.
 - d. Mr. Johnson shall obtain a food establishment license before selling edible products.
 - e. Mr. Johnson shall obtain a retail tobacco license before selling tobacco products.
 - f. Mr. Johnson shall use compliant packaging.
8. Wind-down plan: Mr. Johnson 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 Mr. Johnson 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 his signature is enough to legally bind DAFS to the terms of the Settlement Agreement.
 14. Mr. Johnson 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 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 Mr. Johnson have signed this Agreement below:


Steven Johnson

Date: 9-30-22


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

Date: 10/24/2022