

SETTLEMENT AGREEMENT

Effective March 26, 2025, the State of Maine Department of Administrative and Financial Services (“DAFS”) and Alex Zhang of Portland, Maine (collectively “the Parties”) enter into this Settlement Agreement.

Mr. Zhang is a registered caregiver pursuant to the Maine Medical Use of Cannabis Act, and on November 14, 2025, Dean Goodale, Director of Compliance for the Office of Cannabis Policy (“OCP”) at DAFS sent Mr. Zhang a Notice of Administrative Action including Monetary Penalty notifying him that DAFS was levying a monetary penalty.

Such actions are subject to an administrative hearing pursuant to 22 M.R.S. §2430-I (9) and then potentially to judicial review pursuant to 5 M.R.S. Chapter 375 and M.R.Civ.P. 80C, and Mr. Zhang exercised his right to request a hearing on 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:

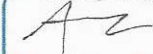
1. The fine is based on Mr. Zhang’s alleged conduct as stated in the November 14, 2025 letter primarily operating a registered caregiver store at 640 Saco Street, Unit 1, Westbrook, despite having no permit from Westbrook to do so, since Westbrook does not permit registered caregiver stores.
2. Mr. Zhang has agreed to and will dismantle the store at 640 Saco Street, Unit 1, Westbrook. This will include removing cash registers/POS stations, the ATM, retail style interior signs, decoration, and advertising, as well as taking down website and social media references to this store. All display cases will be blacked out or mirrored. Once no longer useable as display cases, the cases and shelves may be used for cultivation related purposes, such as storage of supplies. This work shall be completed within five weeks of the effective date of this agreement and Mr. Zhang will notify OCP when he has vacated the premises, which shall be no later than April 30, 2026. In return, DAFS will waive payment of the \$2,000 monetary penalty.
3. Mr. Zhang will no longer operate a medical cannabis business from 640 Saco Street, Unit 1, Westbrook. Mr. Zhang will transfer any remaining cannabis plants or harvested

cannabis to other registered participants in the medical cannabis program or transport them to his next authorized caregiver location, in conformance with applicable rules and statutes.

4. DAFS reserves the right to take any appropriate action if Mr. Zhang is found engaging in conduct not authorized by, or in violation of, the law or this Settlement Agreement.
5. 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.
6. 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.
7. This Settlement Agreement shall be governed by the laws of the State of Maine.
8. 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.
9. Mr. Zhang 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 being a registered caregiver, to the terms of the Settlement Agreement.

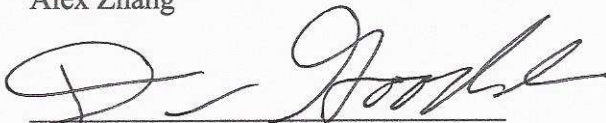
IN WITNESS WHEREOF, the duly authorized representative of DAFS, and Mr. Zhang have signed this Agreement below:

DocuSigned by:



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Alex Zhang

Date: 3/26/2026



Dean Goodale, Director of Licensing, OCP, DAFS
Compliance DWH

Date: 3-27-2026