SETTLEMENT AGREEMENT

Effective this <u>21</u> day July 2022, the State of Maine Department of Administrative and Financial Services ("DAFS") and Adam Borisuk of Newport, Maine (collectively "the Parties") enter in this Settlement Agreement.

Whereas the Petitioner Appellant in this matter was a registered caregiver and registered caregiver assistant pursuant to the Maine Medical Use of Marijuana Act, and on June 21, 2022, Michael W. Field, Director of Compliance for the Office of Cannabis Policy at DAFS sent Mr. Borisuk a letter notifying him that DAFS was revoking his registry identification ("ID") cards 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 Mr. Borisuk 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:

- OCP, DAFS hereby rescinds the revocation of Mr. Borisuk's registry ID card (CGR26839) once this agreement is signed. Instead, Mr. Borisuk's registry ID card is suspended from June 24, 2022 to May 24, 2023.
- 2. The suspension of Mr. Borisuk's registry ID cards is based on Mr. Borisuk's conduct as stated in the June 21, 2022 letter including: failure to use child resistant packaging; advertising and selling products depicting a human; selling products not marked with the registry ID number of the source; including potency of harvested marijuana a on a label without proof of verification by a marijuana testing facility; manufacturing edibles without a food establishment license; exceeding the amount of harvested marijuana that can be sold to a qualifying patient; using employees with no registry identification cards; cultivating more immature plants than permitted; and commingling products

- labeled as containing psilocybin with harvested marijuana products.
- 3. During the suspension, Mr. Borisuk 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 his household members as medical marijuana patients. Mr. Borisuk may access that facility where he was formerly cultivating marijuana only to tend his licensed turtles so long as he has no access to any cultivation areas or other areas where harvested marijuana or marijuana plants are present.
- 4. During the suspension, Mr. Borisuk will not participate in the Adult Use Marijuana Program, including applying for an adult use individual identification card or an adult use marijuana establishment license under the Marijuana Legalization Act; and having or holding any direct or indirect financial interest in an adult use marijuana establishment. Allowing adult use 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 that he and his household members may grow their own personal adult use marijuana plants in accordance with 28-B M.R.S. § 1502.
- 5. After the period of suspension ends on May 24, 2023, Mr. Borisuk 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.
- After May 24, 2023, this suspension will not be considered a bar to Mr. Borisuk's participation in either the Maine Medical Marijuana Program or the Adult Use of Marijuana Program.
- 7. Ms. Borisuk 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 May 24, 2023:

- a. Mr. Borisuk shall only manufacture edibles after he obtains any applicable food establishment license from the Department of Agriculture, Conservation & Forestry.
- b. Mr. Borisuk shall ensure he follows labeling requirements and does not violate labeling prohibitions.
- c. Mr. Borisuk shall not buy, advertise, or sell any marijuana in packaging that that violates licensing prohibitions or that does not meet licensing requirements. Any such items in his possession, or under his control, shall be destroyed and such destruction shall be witnessed by an inspector from OCP. Mr. Borisuk will attest that he has no ownership interest in, or any control over, any more such product. Any internet advertising for such products, whether on Mr. Borisuk's website or any other internet platform shall be taken down.
- d. Mr. Borisuk shall not buy, advertise, sell or commingle with harvested marijuana, any products that contain or are labeled to contain psilocybin. Any such items in his possession, or under his control, shall be destroyed and such destruction shall be witnessed by an inspector from OCP. Mr. Borisuk will attest that he has no ownership interest in, or any control over, any more such product. Any internet advertising for such products, whether on Mr. Borisuk's website or any other internet platform shall be taken down.
- e. Mr. Borisuk shall ensure that any assistants have a valid registry ID card.
- 8. Wind-down plan: Mr. Borisuk has transferred any authorized, appropriately labeled, harvested marijuana or products or plants to another registered caregiver.
- DAFS reserves the right to take any appropriate action if Mr. Borisuk 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. Borisuk 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.

Borisuk have signed this Agreement below:

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Date: 8/11/2022

Adam Borisuk

Date: 8/22/2022

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