

SETTLEMENT AGREEMENT

Effective April 29, 2024 (the "Effective Date"), the State of Maine Department of Administrative and Financial Services ("DAFS" or "the Department") and Licensee, Dirigo Naturals, LLC d/b/a Foliage ME ("Foliage" or "Licensee", AMS 386), collectively, "the Parties", enter into this Settlement Agreement (the "Agreement").

Dirigo Naturals, LLC is owned by Barnstable Holdings, LLC. Barnstable Holdings, LLC is owned by Scott Lever and Scott Reed in equal shares. On December 1, 2024, Michael W. Field, Director of Compliance, Office of Cannabis Policy ("OCP"), DAFS, issued a Notice of Administrative Action concerning AMS 386 pursuant to the Cannabis Legalization Act, 28-B M.R.S. §§ 101-1102 (the "CLA"), and Maine Adult Use Cannabis Program Rules, 18-691 C.M.R. Ch. 1 (the "AUCPR").

These actions are subject to an administrative hearing pursuant to 28-B M.R.S. §801 and in accordance with the Maine Administrative Procedure Act, 5 M.R.S. §§ 9051-9064, and then potentially to judicial review pursuant to 5 M.R.S. §§ 11001-11002 and M.R. Civ. P. 80C, and the Licensee timely requested an administrative hearing.

NOW THEREFORE, as the Parties wish to settle this matter in consideration of the mutual promises set forth herein, rather than continue the hearing and appeals process, the Parties agree as follows:

1. In September 2023 Foliage advertised in a manner that did not contain required information and was objectionable and non-conforming. These are violations of 18-691 CMR Chapter 1, *Adult Use Cannabis Program Rule*, Section 5.4 and 5.6.
2. The total monetary penalty to be paid by the Licensee is \$3,000.00. The settlement payment shall be paid to DAFS as follows: the full amount is due July 2, 2024. Failure to pay by the stated deadline may result in suspension and/or denial of renewal of this license.
3. This Agreement sets forth the entire agreement of the Parties in relation to the conduct described above and in the letter of December 1, 2024, and any amendment hereof shall be in writing. Representations that are not contained in the Agreement or subsequent written amendment shall have no effect.
4. The Parties agree that once this agreement is signed an administrative hearing on

the Notice of Administrative Action is no longer necessary.

5. The Parties acknowledge that this Agreement and its reduction to final written form is the result of good faith negotiations between the Parties. The Parties and their respective counsel (if applicable) have carefully reviewed and examined this Agreement before execution by said Parties. Any statute or rule of construction that requires ambiguities to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
6. This Agreement shall be governed by the laws of the State of Maine.
7. The Parties agree that this Agreement is binding upon, and inures to the benefit of, the Parties and their successors and assigns.
8. The signatory for DAFS, Michael W. Field, represents that he is duly authorized and empowered to execute this Agreement on behalf of DAFS, and that his signature is enough to legally bind DAFS to the terms of this Agreement.
9. The signatory for the Licensee represents that he is duly authorized and empowered to execute this Agreement on behalf of the Licensee and that his signature is enough to legally bind Licensee to the terms of this Agreement.

IN WITNESS WHEREOF, the duly authorized representative of DAFS, and Scott Lever, have signed this Agreement below:

DIRIGO NATURALS, LLC

By: 
Barnstable Holdings, LLC, Scott Lever, Member

Date: 4/29/24

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

By: Michael W. Field
Michael W. Field, Director of Licensing,
Office of Cannabis Policy

Date: 4/29/2024