

SBCTC Productions LLC
d/b/a Sensibul
TERMS OF PURCHASE

Effective Date: March 1, 2026

Last Updated: March 1, 2026

THESE TERMS OF PURCHASE (these “**Terms**”), as updated from time to time in Supplier’s sole discretion, govern each sale of Products (defined below) by SBCTC Productions LLC, a New York limited liability company d/b/a Sensibul, having a place of business at 12 Shenandoah Dr., Saratoga Springs, New York 12866 (“**Supplier**,” “**SBCTC**,” or “**Company**”), to a purchaser of Products (“**Purchaser**” or “**Dispensary**”) pursuant to a Purchase Order (defined below) that references or incorporates these Terms. Supplier and Purchaser are each a “**Party**” and collectively the “**Parties**.”

BY SUBMITTING A PURCHASE ORDER THAT REFERENCES THESE TERMS, PURCHASER AGREES TO BE BOUND BY THESE TERMS AS THEN IN EFFECT ON THE DATE OF SUCH PURCHASE ORDER. THE VERSION OF THESE TERMS IN EFFECT ON THE DATE OF A GIVEN PURCHASE ORDER SHALL GOVERN THE SALE OF PRODUCTS PURSUANT TO THAT PURCHASE ORDER. SUPPLIER RESERVES THE RIGHT TO UPDATE, AMEND, OR MODIFY THESE TERMS AT ANY TIME IN ITS SOLE DISCRETION. PURCHASER IS RESPONSIBLE FOR REVIEWING THE CURRENT VERSION OF THESE TERMS BEFORE SUBMITTING EACH PURCHASE ORDER.

WHEREAS, Supplier holds a Type I Adult-Use Cannabis Processor License (License #OCM-PROC-24-000058) and an Adult-Use Cannabis Distribution License (License #OCM-DIST-24-000047) issued by the New York Office of Cannabis Management (“**OCM**”).

WHEREAS, Supplier manufactures and distributes cannabis and cannabis products, including products it manufacture and distributes on behalf of third parties and other companies affiliated with Supplier, in the State of New York under various brand names and trademarks, which may include but are not limited to vaporizer cartridges, pre-rolls, edibles, infused beverages, tinctures, jarred flower, and other cannabis products (the “**Products**”);

WHEREAS, Supplier makes Products available for purchase by Purchaser through various marketplaces, platforms, and channels, which may include, but are not limited to Apex Trading, Nabis Marketplace, Dutchie, or direct purchase from Supplier via Company sales representatives (collectively, the “**Sales Channels**”);

WHEREAS, Purchaser is a licensed cannabis dispensary operating within the State of New York and desires to purchase Products from Supplier in accordance with and subject to these Terms; and

WHEREAS, Supplier is willing to supply Products on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

For purposes of these Terms, capitalized terms shall have the respective meanings set forth in this Section 1 or elsewhere herein:

1.1 “Affiliate” shall mean, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock or

other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever.

1.2 “Cannabis Regulations” means, collectively, the New York Marijuana Regulation and Taxation Act (“MRTA”), N.Y. Cannabis Law § 1 et seq., and the rules and regulations promulgated thereunder by the New York Cannabis Control Board (“**CCB**”) and the Office of Cannabis Management (“**OCM**”), codified at 9 NYCRR Part 116 et seq., and any subsequent amendments thereto or guidance issued in connection therewith, and any other laws in the state of New York governing the sale, use, or other provision of cannabis in New York.

1.3 “Federal Cannabis Laws” means any U.S. federal laws, civil, criminal or otherwise, as such relate, either directly or indirectly, to the cultivation, harvesting, production, distribution, sale, and possession of cannabis, marijuana, or related substances or products containing or relating to the same, including the classification of “marijuana” as a Schedule I controlled substance under 21 U.S.C. § 811, the prohibition on drug trafficking under 21 U.S.C. § 841(a) et seq., the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony under 18 U.S.C. § 4, the bar against being an accessory after the fact under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957, and 1960, and the regulations and rules promulgated under any of the foregoing.

1.4 “Governmental Authority” means any federal, state, local, tribal, provincial, or foreign government or political subdivision thereof, or any legislative, judicial, administrative, or regulatory agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction, including, for the avoidance of doubt, the OCM, the CCB, and the New York State Department of Health.

1.5 “Law” means any statute, law, ordinance, regulation, rule, code, or treaty passed or issued by any Governmental Authority (including, without limitation, the Cannabis Regulations); *provided, however*, the Parties hereby acknowledge that under United States federal law, and more specifically the Federal Controlled Substances Act, the possession, use, cultivation, processing, marketing, and transfer of cannabis is illegal, and that, notwithstanding anything to the contrary herein, with respect to regulated cannabis business activities, “Law” shall (a) only include such federal law, authority, agency, or jurisdiction as is not in conflict with the laws of the State of New York regarding such regulated cannabis business activities, and (b) not include any laws that restrict the possession, use, cultivation, processing, marketing, and transfer of cannabis (including but not limited to the Federal Controlled Substances Act or any other Federal Cannabis Laws).

1.6 “Person” shall mean an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, governmental authority, or any other form of entity not specifically listed herein.

1.7 “Supplier Trademarks” means trademarks, service marks, brand names, trade names, logos, and trade dress used to identify the Products and Product-related components and technologies of Supplier, including without limitation the “Sensibul,” “Phil’s Nice,” “Connecticut Cannabis Company”.

1.8 “Territory” shall mean the State of New York.

2. SALE AND PURCHASE OF PRODUCTS

2.1 Product Supply. Supplier shall use commercially reasonable efforts to supply Purchaser with Products ordered by Purchaser on the terms and conditions of these Terms. Supplier makes no guarantees, express or

implied, regarding the availability of any Product until such time that a Purchase Order is accepted by Supplier in accordance with these Terms. All Products are offered subject to availability.

2.2 Purchase Order. All Products purchased pursuant to these Terms shall be ordered in the amounts and for the prices recorded and confirmed by a written purchase order agreed to by both Parties, which shall be consistent with these Terms (“**Purchase Order**”). A Purchase Order may be submitted through a Sales Channel or directly to Supplier by email at the address specified by Supplier. Each Purchase Order shall reference or include a link to these Terms. No Purchase Order shall be effective unless and until accepted by Supplier in accordance with these Terms. In the event of any conflict between a Purchase Order and these Terms, these Terms shall control unless the Purchase Order expressly states that a specific provision supersedes a specific Section of these Terms and such Purchase Order is signed by an authorized representative of Supplier.

2.3 Acceptance; Confirmation. A Purchase Order shall not be considered a binding commitment unless and until it is accepted by Supplier. Supplier shall send a written order confirmation to Purchaser within three (3) business days after receipt of a Purchase Order; *provided* that if Supplier fails to send written confirmation of acceptance within three (3) business days, the Purchase Order shall be deemed rejected by Supplier. Supplier may, in its sole discretion, accept or reject any Purchase Order, in whole or in part, for any reason. *Provided*, that if Supplier distributes any such Products pursuant to a Purchase Order, even if not accepted by written confirmation within 3 business days as set forth in this paragraph, such Purchase Order shall be deemed accepted upon delivery of such Products by Supplier to Purchaser.

2.4 Lead Times. Purchaser shall specify its preferred delivery date in each Purchase Order, which shall allow for a lead time of no less than five (5) business days, unless otherwise agreed upon between the Parties. In providing confirmation for a given Purchase Order, Supplier will confirm the estimated shipping and delivery dates for the shipment of Products; *provided, however*, Supplier shall in no way be bound to deliver Products by the delivery date initially requested by Purchaser in a given Purchase Order.

2.5 Cannabis Regulations. Notwithstanding anything herein to the contrary, Purchaser shall not submit a Purchase Order with an amount of Products that would cause these Terms, any Purchase Order, or any of the Parties to violate any Cannabis Regulations or any other applicable Law.

2.6 No Minimum Purchase Obligation. Nothing in these Terms shall obligate Purchaser to purchase any minimum quantity of Products or obligate Supplier to sell any minimum quantity of Products. *Provided* a Purchaser Order, Sales Channel, or marketing Materials may specify a minimum purchase obligation of Purchaser to receive certain discounts, promotions, or pricing.

3. PRICES AND PAYMENT

3.1 Prices. Supplier shall make available to Purchaser then-current pricing for each Product (the “**Product Price List**”). Supplier will sell the applicable Products to Purchaser at the prices specified in the Product Price List or as otherwise set forth in an accepted Purchase Order, subject to any price change made by Supplier in accordance with Section 3.2. The prices of Products do not include, insurance, customs, duties, or taxes (including, without limitation, sales, use, transfer, and excise taxes, and cannabis-specific taxes and other charges arising out of the purchase and sale of any Product), which will be set forth as additional line items on each invoice and which amounts shall be Purchaser’s sole responsibility. Additional shipping charges, if applicable will be set forth on the Purchase Order.

3.2 Price Changes. Supplier may change Product prices from time to time at Supplier’s sole discretion and upon written notice (including by email or through a Sales Channel) to Purchaser of such change; *provided, however*, any such price changes shall not apply to Purchase Orders accepted by Supplier before the effective date of the price change.

3.3 Invoices and Payment. Supplier shall issue an invoice concurrently with or prior to each delivery of Products. Each Purchase Order shall specify the applicable payment terms (the “**Payment Terms**”), which shall be one of the following: (a) “**COD**” (Cash on Delivery): Purchaser shall remit full payment of the invoiced amount at the time of delivery, prior to or contemporaneously with Purchaser’s acceptance of the Products. Supplier’s delivery driver or authorized representative is authorized to collect payment on behalf of Supplier at the time of delivery. Supplier reserves the right to withhold delivery of Products until payment in full is received; (b) “**Net 30**”: Purchaser shall pay the full invoiced amount, which is due upon the invoice date, and payable within thirty (30) calendar days of the date of the applicable Purchase Order; or (c) such other payment terms as may be expressly stated on the Purchase Order by Supplier in writing. If no Payment Terms are specified on the Purchase Order, or if the Purchase Order is ambiguous as to Payment Terms, COD terms as described in clause (a) above shall apply by default. All Payment Terms are subject to Supplier’s acceptance and Supplier reserves the right, in its sole discretion, to require COD terms for any Purchase Order regardless of the Payment Terms requested by Purchaser. Purchaser shall make all payments in U.S. Dollars by certified check, cashier’s check, ACH transfer, wire transfer of immediately available funds, or such other method as Supplier may accept in its sole discretion.

3.4 Late Payments. Any amounts not paid when due under the applicable Payment Terms shall accrue interest at the lesser of one and two and a half percent (2.5%) per month or the maximum rate permitted by applicable Law, calculated from the date payment was due until the date of actual payment. In addition, Purchaser shall reimburse Supplier for all costs of collection, including reasonable attorneys’ fees. Without limiting the foregoing: (a) if COD terms apply and Purchaser fails to remit payment at the time of delivery, Supplier’s delivery driver or authorized representative may, in Supplier’s sole discretion, refuse to release the Products and return them to Supplier; and (b) if Net 30 or other credit terms apply and Purchaser fails to pay any invoice by the applicable due date, Supplier may, in its sole discretion, immediately revoke any credit terms previously extended and require COD for all future and outstanding Purchase Orders. In all cases, Supplier reserves the right to suspend or cancel any unfulfilled Purchase Orders and to refuse future Purchase Orders until all outstanding amounts are paid in full.

3.5 Setoff. Purchaser shall not withhold, offset, or deduct any amount from payments due to Supplier, whether for alleged claims, credits, or otherwise, without the prior written consent of Supplier.

4. DELIVERY

4.1 Shipping; Risk of Loss; Title. Unless otherwise set forth in the Purchase Order, Supplier, or Supplier through a licensed third-party transportation company, will ship Products F.O.B. Origin, Freight Prepaid, on the date and at the time set forth in the applicable accepted Purchase Order to the delivery address designated by Purchaser, during normal business hours. Supplier may charge freight, shipping and insurance costs to Purchaser as set forth in Section 3.1, and as set forth on a Purchase Order. As required by applicable Cannabis Regulations, an authorized employee or agent of Purchaser who is listed in Purchaser’s OCM license must be physically present at the time of delivery to accept the Products and execute any required manifests or transfer documentation. If any Products are returned to Supplier because no authorized employee or agent of Purchaser was present at the time of delivery, Supplier may impose an additional delivery charge, which shall be remitted by Purchaser to Supplier before the shipment is rescheduled for delivery. Title and risk of loss shall pass to Purchaser upon the products leaving the Supplier’s or its third-party distributors facility.

4.2 Inspection, Rejection, and Cure. Purchaser shall inspect all Products immediately upon receipt of the Products (but in any event no later than one (1) day of receipt) to determine whether any Product was damaged in transit or fails to satisfy the representations and warranties in Section 6.2.1 (such Product, a “**Nonconforming Product**”) and shall provide written notice to Supplier of any purported Nonconforming Products (“**Nonconforming Product Notice**”) within such one (1) business day inspection period. FAILURE

TO PROVIDE A NONCONFORMING PRODUCT NOTICE WITHIN SUCH PERIOD SHALL CONSTITUTE IRREVOCABLE ACCEPTANCE OF THE PRODUCTS AND A WAIVER OF ALL CLAIMS WITH RESPECT THERETO. If Supplier receives a timely Nonconforming Product Notice, it shall have fifteen (15) business days from receipt thereof to examine the Products identified therein. In the event Supplier determines, in its reasonable judgment, that any Products are Nonconforming Products, (i) Supplier shall, at its sole option, either: (a) replace, without charge to Purchaser, the Nonconforming Products, which replacement Products shall be delivered to Purchaser at Supplier's expense; or (b) refund the amount paid by Purchaser for such Nonconforming Products; and (ii) Purchaser shall, at the expense and direction of Supplier, either (x) return the Nonconforming Products to Supplier, or (y) destroy such Nonconforming Products in accordance with instructions provided by Supplier. THIS SECTION 4.2 SHALL BE SUPPLIER'S SOLE OBLIGATION AND PURCHASER'S SOLE AND EXCLUSIVE REMEDY FOR SUPPLIER'S DELIVERY OF ANY NONCONFORMING PRODUCT.

5. PURCHASER REPRESENTATIONS, WARRANTIES, AND COVENANTS

5.1 Representations and Warranties of Purchaser. Purchaser represents and warrants to Supplier, as of the date of each Purchase Order, that:

- (a) Purchaser is a legal entity duly organized and validly existing in good standing under the laws of the State of New York. Purchaser has the power to execute, deliver, and perform its obligations under these Terms. Purchaser has the full power and authority to own its properties and to conduct the business in which it is now engaged.
- (b) Purchaser's acceptance of these Terms and performance of its obligations hereunder will not violate any provision of the governance documents of Purchaser or violate any provisions of, or result in a breach of any of the terms or provisions of, or the acceleration of any of the obligations under, or constitute a default under, any mortgage, lease, agreement, instrument, order, arbitration award, judgment, decree, Law, or Permit to which Purchaser is a party or to which Purchaser or its assets, properties, or business are subject.
- (c) Purchaser is and operates its business in compliance with all applicable Laws and Permits. Purchaser has in effect all Permits necessary to carry out its obligations hereunder and to operate its retail cannabis dispensary business, including without limitation a valid and current adult-use retail dispensary license (or conditional adult-use retail dispensary license, as applicable) issued by the OCM.
- (d) No approval of any Person or Governmental Authority is necessary with respect to Purchaser's acceptance of these Terms or performance of its obligations hereunder, other than such approvals as have already been obtained and are in full force and effect.
- (e) Purchaser is purchasing Products solely for resale to consumers at its licensed dispensary location(s) in the Territory and not for personal use or any unlawful purpose. Purchaser is solely responsible for all costs, risks, and obligations associated with Purchaser's business and its performance of these Terms, including without limitation its risk of unsold inventory and nonpayment by its customers.
- (f) Purchaser shall not resell, transfer, or distribute any Products to any Person other than a consumer at Purchaser's licensed dispensary location(s) in the Territory, except as otherwise permitted by the Cannabis Regulations.
- (g) All information provided by Purchaser to Supplier, whether in connection with a Purchase Order or otherwise, is and will be true, accurate, and complete in all material respects.

5.2 Covenants of Purchaser. Purchaser shall: (i) promote, resell, and deliver the Products in accordance with all applicable Laws and all permits, franchises, licenses, and approvals from all Governmental Authorities (collectively, “**Permits**”); (ii) maintain all Permits needed to operate a retail cannabis dispensary business in the Territory; (iii) operate its retail cannabis dispensary business in accordance with all applicable Laws and Permits; (iv) not directly or indirectly promote, resell, or deliver any Products outside the Territory; (v) store all Products in accordance with Supplier’s instructions, applicable Cannabis Regulations, and industry best practices; (vi) not alter, modify, tamper with, repackage, or relabel any Product without the prior written consent of Supplier; and (vii) promptly notify Supplier if Purchaser’s license or any Permit is suspended, revoked, or subject to any enforcement action.

6. SUPPLIER REPRESENTATIONS, WARRANTIES, AND COVENANTS

6.1 Supplier Representations and Warranties. Supplier represents and warrants that:

- (a) Supplier is a limited liability company duly organized and validly existing in good standing under the laws of the State of New York. Supplier has the power to execute, deliver, and perform its obligations under these Terms.
- (b) Supplier is and operates its business in material compliance with applicable Laws and Permits held by Supplier. Supplier has in effect all Permits necessary to carry out its obligations hereunder and to operate its cannabis processing business.

6.2 Supplier Representations and Warranties Regarding Products.

6.2.1 Supplier warrants to Purchaser that (i) each Product, at the time of delivery to Purchaser, has been processed, manufactured, tested, and packaged in conformity with the requirements of the OCM and the Cannabis Regulations; and (ii) Supplier has conducted or caused to be conducted testing of Products sold to Purchaser in accordance with applicable Laws. Upon reasonable request, Supplier shall provide to Purchaser a Certificate of Analysis for Products sold to Purchaser.

6.2.2 EXCEPT AS EXPRESSLY PROVIDED IN SECTION 6.2.1, SUPPLIER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PRODUCTS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SUPPLIER SPECIFICALLY EXCLUDES AND DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, APPLICATION, OR USE, ANY IMPLIED WARRANTY OF NON-INFRINGEMENT, AND ANY IMPLIED WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. THIS WARRANTY CONSTITUTES THE ONLY WARRANTY GIVEN, SUPERSEDING ALL PRIOR OR CONTEMPORANEOUS ORAL OR WRITTEN REPRESENTATIONS. NONE OF SUPPLIER, ITS MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, OR ANY OTHER PERSON IS AUTHORIZED TO MODIFY THIS WARRANTY OR MAKE ANY WARRANTY IN ADDITION TO THOSE SET FORTH HEREIN. IN THE EVENT THAT PURCHASER ALTERS, MODIFIES, TAMPERS WITH, REPACKAGES, RELABELS, MISUSES, IMPROPERLY STORES, OR CUSTOMIZES ANY PRODUCT, ALL WARRANTIES HEREIN SHALL BE VOID.

7. RECALLS

Supplier shall provide prompt written notice to Purchaser of any Product Recall (as hereinafter defined), whether issued voluntarily by Supplier or mandated by any Governmental Authority, and provide the reason

therefor. Upon receipt of such notice, Supplier shall, at its option, promptly refund or credit Purchaser for the total amount paid by Purchaser to Supplier for all Products included in the Product Recall. In the event of a Product Recall, Purchaser shall follow Supplier's instructions for conducting the Product Recall in a timely manner, which instructions may include returning or destroying all Products included in the Product Recall, cooperating with the requirements of all Governmental Authorities, notifying consumers, quarantining the applicable Products, and certifying as to any such actions required to be taken. Supplier shall be responsible for Purchaser's direct and reasonable out-of-pocket expenses actually incurred in undertaking actions in connection with a Product Recall, subject to Purchaser's submission of reasonable documentation thereof. A "**Product Recall**" means a recall, withdrawal, or market correction of a Product due to a Product defect that might endanger a consumer or put either Party at risk of legal action, which defect was present at the time of Supplier's delivery of such Product and was not caused by any acts or omissions of Purchaser.

8. CONFIDENTIALITY

8.1 Confidential Information. Each Party acknowledges and agrees that in the course of the transactions contemplated by these Terms, a Party (the "**Receiving Party**") may be exposed to or receive non-public, proprietary, or confidential information, including but not limited to information regarding products, pipeline, operations, methods, strategies, formulas, price lists or other pricing information, production output, sales volume, costing and financial information, records of unit movement of goods, manufacturing or manufacturing processes, whether conveyed orally, in written form (including by email or other electronic communication), by observation, or in any other manner (collectively, the "**Confidential Information**") of the other Party (the "**Disclosing Party**"). All Confidential Information shall constitute the property of and be owned by the Disclosing Party. Confidential Information does not include information that (a) was known to the Receiving Party before receipt from the Disclosing Party; (b) is lawfully obtained by the Receiving Party from a third party under no obligation of confidentiality; or (c) is or becomes publicly available other than through the fault of the Receiving Party. For the term of these Terms and thereafter, the Receiving Party shall not use (except in performance of its obligations hereunder) or disclose to any Person any Confidential Information of the Disclosing Party without the Disclosing Party's prior written consent, except as required by Law or court order (provided that the Receiving Party shall promptly notify the Disclosing Party prior to any such required disclosure) or to Governmental Authorities in the normal course of regulatory compliance. The existence of these Terms and the terms of any Purchase Order shall be treated as Confidential Information.

8.2 Injunctive Relief. If the Receiving Party breaches or threatens to breach Section 8.1, the Disclosing Party shall have the right, in addition to any other rights and remedies available at law or in equity, to seek injunctive or other equitable relief from any court of competent jurisdiction, it being agreed that any breach or threatened breach of Section 8.1 would cause irreparable injury and that money damages would not provide an adequate remedy.

9. TERM AND TERMINATION

9.1 Effectiveness. These Terms shall be effective and binding on Purchaser with respect to each Purchase Order as of the date such Purchase Order is submitted to Supplier and shall remain in effect as to that Purchase Order until all obligations of both Parties with respect to such Purchase Order have been fully performed or otherwise discharged. The ongoing relationship between Supplier and Purchaser may be terminated as set forth in this Section 9.

9.2 Termination for Convenience. Either Party may terminate the ongoing purchase relationship by providing thirty (30) days' prior written notice to the other Party. Such termination shall not affect any Purchase Orders accepted by Supplier prior to the effective date of termination.

9.3 Termination for Cause. Supplier may immediately terminate the purchase relationship and cancel any outstanding Purchase Orders upon written notice to Purchaser in the event of any of the following: (a) Purchaser's failure to make any payment when due that is not cured within five (5) business days of written notice thereof; (b) Purchaser's breach of any material term of these Terms that is not cured within fifteen (15) days of written notice thereof (or that is incapable of cure); (c) Purchaser's Permits are revoked, suspended, cancelled, or otherwise terminated; (d) Purchaser becomes insolvent, is generally unable to pay its debts as they become due, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors; or (e) the Federal Cannabis Laws are enforced by the United States Department of Justice in a manner that materially affects the transactions contemplated hereby.

9.4 Effect of Termination. After termination, Purchaser may place no further Purchase Orders. Termination shall not relieve either Party of any obligation accruing prior to such termination, including the satisfaction of any Purchase Orders accepted by Supplier prior to the notice of termination (unless terminated pursuant to Section 9.3(c), (d), or (e), in which case Supplier shall have no obligation to fulfill outstanding Purchase Orders). The provisions of Sections 3.3, 3.4, 3.5, 5.1, 6.2.2, 7, 8, 9.4, 10, 11, and 12, and any other provision that by its nature should survive, shall survive termination.

10. LIMITATION OF LIABILITY; INSURANCE

10.1 Exclusion of Consequential Damages.

IN NO EVENT WILL SUPPLIER BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR INDIRECT DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOSS OF GOODWILL, LOSS OF USE, BREACH OF CONTRACT, INTERRUPTION OF BUSINESS, LOST PROFITS, OR LOST SALES ARISING FROM OR RELATED TO THESE TERMS OR ANY PURCHASE ORDER, HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY (WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT SHALL SUPPLIER BE LIABLE FOR PURCHASER'S COST OF OBTAINING SUBSTITUTE PRODUCTS FROM ANOTHER SOURCE.

10.2 Aggregate Cap on Supplier Liability.

IN NO EVENT SHALL SUPPLIER'S TOTAL AGGREGATE LIABILITY TO PURCHASER FOR ALL CLAIMS ARISING OUT OF OR RELATED TO THESE TERMS OR ANY PURCHASE ORDER, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, EXCEED: (A) IF THE CLAIM RELATES TO A SINGLE INVOICE, THE TOTAL AMOUNT OF THAT INVOICE; OR (B) IF THE CLAIM RELATES TO MORE THAN ONE INVOICE, THE LESSER OF (I) THE TOTAL AMOUNT OF ALL INVOICES THAT ARE THE SUBJECT OF THE CLAIM, OR (II) FIVE THOUSAND DOLLARS (\$5,000). THE FOREGOING LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

11. GOVERNING LAW; DISPUTE RESOLUTION

11.1 Governing Law. These Terms and any Purchase Order shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of New York.

11.2 Informal Resolution. Before initiating any formal dispute resolution proceeding, the Parties shall attempt in good faith to resolve any dispute, controversy, or claim arising out of or relating to these Terms or any Purchase Order ("**Dispute**") by negotiation between authorized representatives of each Party for a period of not less than thirty (30) days after written notice of the Dispute is given by one Party to the other.

11.3 Mediation. If the Parties are unable to resolve the Dispute through informal negotiation within the period set forth in Section 11.2, either Party may submit the Dispute to mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Procedures. The mediation shall take place in Albany, New York, or such other location as the Parties may agree. Each Party shall bear its own costs of mediation, and the cost of the mediator and mediation shall be shared equally by the Parties.

11.4 Binding Arbitration. IF THE DISPUTE IS NOT RESOLVED THROUGH MEDIATION WITHIN SIXTY (60) DAYS OF THE INITIAL MEDIATION SESSION (OR IF EITHER PARTY REFUSES TO PARTICIPATE IN MEDIATION), ANY REMAINING DISPUTE SHALL BE FINALLY RESOLVED BY CONFIDENTIAL, BINDING ARBITRATION ADMINISTERED BY THE AAA UNDER ITS COMMERCIAL ARBITRATION RULES. THE PLACE OF ARBITRATION SHALL BE ALBANY, NEW YORK. THERE SHALL BE ONE (1) ARBITRATOR. THE PARTIES SHALL AGREE ON THE ARBITRATOR WITHIN FOURTEEN (14) DAYS OF THE PARTY INITIATING ARBITRATION DELIVERING NOTICE OF THE SAME TO THE OTHER PARTY. IF THE PARTIES ARE UNABLE TO AGREE ON THE SELECTION OF THE ARBITRATOR, THE SELECTION SHALL BE MADE BY THE AAA. THE ARBITRATOR SHALL APPLY NEW YORK LAW. THE AWARD OF THE ARBITRATOR SHALL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION. EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH ARBITRATION FOR THE PURPOSES OF ANY SUCH DISPUTE. THE ARBITRATOR SHALL HAVE NO AUTHORITY TO AWARD PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES. THE ARBITRATOR'S AWARD SHALL BE CONSISTENT WITH THE LIMITATIONS SET FORTH IN SECTION 10.

11.5 Equitable Relief. Notwithstanding the foregoing, either Party may seek injunctive or other equitable relief from any court of competent jurisdiction in the State of New York to prevent a violation of Section 8 (Confidentiality) or Section 12.1 (Intellectual Property) without first submitting such claim to mediation or arbitration.

11.6 Attorneys' Fees. In any action or proceeding to enforce or interpret these Terms (whether in mediation, arbitration, or court), the prevailing Party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing Party.

11.7 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THESE TERMS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THESE TERMS OR ANY PURCHASE ORDER OR THE TRANSACTIONS CONTEMPLATED HEREBY.

12. MISCELLANEOUS

12.1 Intellectual Property; Trademark License. Subject to these Terms, upon the purchase of any Products, Supplier hereby grants to Purchaser a limited, revocable, non-exclusive, non-assignable, non-transferable, and indivisible license to use the Supplier Trademarks solely to market, promote, and sell Products in the Territory and on Purchaser's website (which must be operated in accordance with Section 5.2) (the "**License**"); *provided* that Purchaser will exercise the License only in accordance with applicable Law. Purchaser hereby acknowledges the validity of Supplier's title to all Supplier Trademarks. Any goodwill arising out of Purchaser's use of the Supplier Trademarks shall inure to the sole benefit of Supplier. The License shall remain in effect so long as Purchaser is purchasing Products and shall automatically terminate upon termination of the purchase relationship. After termination, Purchaser shall immediately cease all use of Supplier's Trademarks, except that Purchaser may sell remaining Products bearing Supplier's Trademarks that were purchased prior to termination, in accordance with these Terms.

12.2 Independent Contractors. The relationship between Supplier and Purchaser is solely that of independent contractors. Nothing in these Terms shall create or be deemed to create an employment relationship, joint venture, partnership, or agency between the Parties. Purchaser warrants and represents that it has not and will not hold itself out as a representative, agent, or employee of Supplier for any purpose. Neither Party has any right or authority to assume or create any obligation or responsibility on behalf of the other Party. No relationship of exclusivity shall be construed from these Terms.

12.3 Notices. Any notice required or permitted under these Terms shall be in writing and shall be deemed given when delivered personally, sent by email (with confirmation of receipt), or sent by nationally recognized overnight courier, addressed to Supplier at its address set forth above (or such other address as Supplier may specify) and to Purchaser at the address set forth in the applicable Purchase Order or as otherwise provided by Purchaser in writing.

12.4 Entire Agreement. These Terms, together with the applicable Purchase Order and any exhibits or schedules referenced herein, contain the entire understanding of the Parties with respect to the purchase and sale of Products and supersede all prior or contemporaneous representations, agreements, and understandings, whether oral or written, relating to the subject matter hereof.

12.5 Amendments. Supplier may amend or modify these Terms at any time in its sole discretion by posting an updated version of these Terms and updating the "Last Updated" date. Such amendments shall be effective as of the date indicated and shall apply to all Purchase Orders submitted on or after such date. Purchaser's submission of a Purchase Order after the effective date of any amendment constitutes acceptance of the amended Terms.

12.6 Waiver. No waiver by any Party of any provision of these Terms shall be effective unless set forth in writing and signed by the waiving Party. The waiver of any right or failure to perform or breach shall not be deemed a waiver of any other right or of any other breach or failure, nor shall any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise thereof.

12.7 Severability. If any provision of these Terms is held to be invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision of these Terms and these Terms shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein, and the remaining provisions shall remain in full force and effect.

12.8 Assignment. Purchaser may not assign (including by operation of law), transfer, delegate, or subcontract any of its rights or obligations under these Terms without the prior written consent of Supplier. For purposes of these Terms, any transfer (whether by way of equity sale, merger, or otherwise) of a majority of the voting equity securities of Purchaser shall be deemed an assignment. Any purported assignment in violation of this Section 12.8 shall be null and void. Supplier may freely assign these Terms or any of its rights or obligations

hereunder without Purchaser's consent. Subject to the foregoing, these Terms are binding on and inure to the benefit of the Parties and their respective permitted successors and assigns.

12.9 Force Majeure. Neither Party shall be liable for any failure or delay in fulfilling or performing any obligation under these Terms (except for payment obligations) when and to the extent such failure or delay is caused by events beyond such Party's reasonable control, including but not limited to: acts of God; flood, fire, earthquake, epidemic, or pandemic; war, invasion, hostilities, terrorist threats or acts, riot, or other civil unrest; national or regional emergency; strikes, labor disputes, or work stoppages; government orders, actions, or restrictions; supply chain disruptions; or any changes in Cannabis Regulations or enforcement of Federal Cannabis Laws (each, a "**Force Majeure Event**"). The impacted Party shall give notice within fifteen (15) days of the Force Majeure Event to the other Party. If a Force Majeure Event continues for more than thirty (30) days, the non-impacted Party may terminate the affected Purchase Order(s) upon written notice.

12.10 Indemnification by Purchaser. Purchaser shall indemnify, defend, and hold harmless Supplier and its members, managers, officers, employees, and agents from and against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (a) Purchaser's breach of any representation, warranty, covenant, or obligation under these Terms; (b) Purchaser's negligence or willful misconduct; (c) any claims by Purchaser's customers, employees, or agents arising out of Purchaser's sale, handling, storage, or marketing of Products after delivery to Purchaser; or (d) Purchaser's failure to comply with applicable Laws or Permits.

12.11 No Third-Party Beneficiaries. Except for Supplier Affiliates, Supplier Persons, Supplier Related Entities, or Supplier Collection Agent, who shall be entitled to enforce these Terms; these Terms are for the sole benefit of the Parties and their permitted successors and assigns. Nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms. For the purposes of this paragraph, "**Supplier Persons**" means the owners, members, directors, officers, or shareholders of Supplier. For the purposes of this paragraph, "**Supplier Related Entities**" means any company that is owned, in whole or in part, or otherwise controlled by a Supplier Person. For the purposes of this paragraph, a "**Supplier Collection Agent**" means any person who Supplier has assigned or otherwise has authorized the right to collect or receive payment from Purchaser with respect to one or multiple Purchase Orders that are subject to the terms of these Terms.

12.12 Cumulative Remedies. Except as expressly limited by these Terms, the rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies provided by law or in equity.

12.13 Compliance with Cannabis Regulations. Each Party shall at all times comply with the Cannabis Regulations and all applicable Laws in connection with the purchase, sale, and distribution of Products. In the event of any conflict between these Terms and the Cannabis Regulations, the Cannabis Regulations shall control.

[END OF TERMS OF PURCHASE]