

DISTRIBUTION AGREEMENT

This Distribution Agreement (the “**Agreement**”), is made and effective September 1, 2020, (the “**Effective Date**”),

BETWEEN: **TheraCann International Benchmark Corporation** (the “Distributor”), a corporation organized and existing under the laws of the Republic of Panama, with its head office located at:

Unit 5B, Building 3860 International Business Park, Panama Pacifico, Republic of Panama

AND: **Sprout AI S.A.** (the “Vendor”), a corporation organized and existing under the laws of the Republic of Panama, with its head office located at:

Unit 5B, Building 3860 International Business Park, Panama Pacifico, Republic of Panama

WHEREAS Vendor manufactures proprietary equipment that, among other things, cultivates plants within a highly controlled environment;

WHEREAS Distributor sells turn-key solutions in the vertical urban farming, regulated cannabis and entheogen industry and has an international sales and support organization; and

WHEREAS Distributor wishes to purchase from Vendor for re-sale by Distributor the goods and related services described herein.

NOW, THEREFORE, intending to be legally bound, the undersigned parties agree as follows:

1. DEFINITIONS

When used in this Agreement, the following terms shall have the respective meanings indicated, such meanings to be applicable to both the singular and plural forms of the terms defined:

“**Agreement**” means this agreement, the Schedules and Exhibits attached hereto, and any documents included by reference, as each may be amended from time to time in accordance with the terms of this Agreement;

“**Delivery Point**” means Ex Works (Incoterms) (EXW) Vendor’s Facilities located in Panama Pacifico, Panama.

“**End Client**” means any Person who purchases or leases Goods from Distributor.

“**Exhibit**” means an exhibit attached to this agreement.

“**Goods**” means those goods and services described in Exhibit A.

“One System One Solution” (OS2) means the secure web based enterprise resource planning and compliance software (ERPc) that may be used in whole or in part to manage the Sprout AI technology.

“**Person**” means any individual, partnership, corporation, trust, limited liability Vendor, unincorporated organization, association or any other entity.

“**Territory**” means the geographic area(s) set forth on Exhibit B.

“**Trademark**” means any trademark, logo, service mark or other commercial designation, whether or not registered, used to represent or describe the source of the goods and services. Certain Trademarks of Vendor and Distributor are set forth in Exhibit C.

2. APPOINTMENT OF DISTRIBUTOR

Vendor hereby appoints Distributor as Vendor's nonexclusive distributor of Goods in the Territory, and Distributor accepts that appointment.

Vendor may appoint other distributors and sales agents in the Territory, and may, directly or indirectly, sell its goods and services in the Territory without restriction. It is understood that Vendor cannot lawfully prevent its other distributors from supplying Vendor-manufactured goods and related services for sale or use within the Territory and that it has no obligation to do so.

The Territory may be updated from time to time by written agreement of the parties.

3. RELATIONSHIP OF PARTIES

Distributor is an independent contractor and is not the legal representative or agent of Vendor for any purpose and shall have no right or authority to incur, assume or create in writing or otherwise, any warranty or obligation on behalf of Vendor.

All of Distributor's employees, all of whom are entirely under the control of Distributor, are the sole responsibility of Distributor who shall be solely responsible for their acts and omissions. Distributor accepts exclusive liability for all contributions and payroll taxes required under the law of Panama or other payments under any laws of similar character in any applicable jurisdiction as to all Persons employed by and working for Distributor.

Nothing contained in this Agreement shall be deemed to create any partnership or joint venture relationship between the parties.

4. SALE OF GOODS BY DISTRIBUTOR

Distributor agrees to exercise its best efforts to develop the largest possible market for the Goods in the Territory and shall continuously offer, advertise, demonstrate and otherwise promote the sale of Goods in the Territory.

The Distributor shall, within 30 days of the completion of each year of this Agreement, and as and when requested by Vendor, provide a formal review of sales funnel records in order to estimate the subsequent year's minimum number sales of the Vendor's Goods.

Distributor shall participate in Vendor's Lead Registration Program with respect to all potential End Clients. A copy of Vendor's current Lead Registration is attached as Exhibit A-1, as the same may be changed from time to time by Vendor.

5. SERVICES AND MAINTENANCE PERFORMED BY DISTRIBUTOR

Distributor shall perform such post-sale services with respect to the Goods purchase hereunder as set forth on Exhibit D.

6. ADVERTISING

The Vendor and the Distributor shall make reasonable efforts to jointly market their goods and services in order to assist in the sale of the Goods. This may include the preparation and cost sharing of joint marketing materials, participation in trade shows, marketing and sales calls to potential clients, news articles, advertisements and sponsorships. A list of joint efforts shall be provided in Exhibit D, such list to be updated within 30 days of each annual renewal date of this Agreement.

Distributor shall be entitled, during the Term of this Agreement and any extension thereof, to advertise and hold itself out as an authorized distributor of the Goods. At all times during the term of this Agreement and any extension thereof, Distributor may, subject to the terms and conditions herein, use Vendor's Trademarks in all advertisements and other activities conducted by Distributor to promote the sale of the Goods.

7. LIMITED LICENSE

A. Use of Vendor Trademarks. Subject to the restrictions set forth herein, Vendor grants Distributor a limited, non-exclusive, non-transferable, revocable, non-sublicensable right to use Vendor's Trademarks set forth on Exhibit C and such other trademarks identified by Vendor in writing from time to time (the "**Vendor Trademarks**") without modification or alteration of any type solely in connection with in advertising, promotional materials, and as a link on Distributor's website to promote the Goods. All use of the Vendor Trademarks must be in good taste, in a manner that preserves the goodwill associated with the Vendor Trademarks, and in accordance with the quality standards that may be communicated by Vendor to Distributor from time to time. Distributor shall render to Vendor all reasonable assistance to enable Vendor to obtain registration of any of the Vendor Trademarks in any jurisdiction in which Distributor offers or sells the Goods. Distributor acknowledges that the goodwill and all other rights in and associated with the Vendor Trademarks vest absolutely in Vendor and that it is the intention of the Parties that all such rights will at all times hereafter and for all purposes remain vested in Vendor and in the event that any such rights at any time accrue to Distributor by operation of law or howsoever otherwise, Distributor will at its own expense forthwith on demand do all such acts and things and execute all such documents as Vendor shall deem necessary to vest such rights absolutely in Vendor. Furthermore, Distributor grants Vendor a non-exclusive, limited, non-transferable, revocable, and royalty-free license to use Distributor's trademarks set forth on Exhibit C as a web link in standard format on Vendor's Web site.

B. Restrictions on Use of Trademarks. Distributor acknowledges that the rights granted herein shall be revoked in the event Distributor improperly uses, as determined by Vendor in its reasonable discretion, the Vendor Trademarks. Distributor agrees that it shall: (i) submit to Vendor for its prior review and approval all proposed advertising and promotional materials in whatever media or context that include any of the Vendor Trademarks prior to disseminating or releasing such materials to the public; (ii) use and display, at all times, the Vendor Trademarks with either the ® or ™ designation as directed by Vendor; (iii) not use the Vendor Trademarks in any manner that is likely to cause confusion, mistake, deception, or dilution by either blurring or tarnishment of the Vendor Trademarks; (iv) not use the Vendor Trademarks in combination with any other names, symbols, trademarks, or in connection with other businesses or products or permit any third party to do the same without the prior written permission of Vendor; (v) not use the Vendor Trademarks or any variations thereof in any manner that would give the impression that Distributor is affiliated with, endorsed, or sponsored in any way by Vendor, other than as an authorized distributor of Vendor; and (vi) comply with all other additional requirements provided by Vendor with respect to the style, appearance, and manner of use of the Vendor Trademarks. Distributor agrees that it shall not: (a) alter or modify the Vendor Trademarks or otherwise use Vendor Trademarks in connection with any other software, documentation, or products; or (b) at

any time, use, register, or seek to register any trademark, service mark, trade name, domain name, or e-mail address containing in whole or in part “Sprout AI”, “Powered by Sprout AI”, “Beyond Farms”, “Beyond Farming” or any of the Vendor Trademarks, or any designation confusingly similar thereto, in any jurisdiction anywhere in the world.

C. Defense of Trademarks. Distributor agrees to cooperate with Vendor in the registration and protection of Vendor’s rights to the Vendor Trademarks in any and all jurisdictions in which Distributor operates or offers the Goods and agrees to promptly notify Vendor of any infringement of the Vendor Trademarks that comes to its knowledge, and, if possible, provide Vendor with samples of the materials related to the infringement. Vendor may take, or refrain from taking, any judicial or administrative procedures related to the Vendor Trademarks that it deems appropriate.

D. Translation and Localization. Distributor shall, at the request of Vendor, prepare and provide to Vendor a translation into local languages in the jurisdictions in which Distributor offers or sells the Goods of Vendor’s instruction manual, catalog items and/or documentation at Distributor’s expense (“**Translated Materials**”). Distributor shall permit Vendor thirty (30) days to review and, in Vendor’s reasonable discretion, reject, require edits or approve all such Translated Materials prior to Distributor publishing or providing Translated Materials to third parties. Distributor hereby assigns all of its rights, title and interest in and to the Translated Materials, including all current and future intellectual property rights related thereto, to Vendor, and to the maximum extent permitted by applicable law, Distributor hereby waives all moral rights in and to the Translated Materials.

8. NEW GOODS

If Vendor now or hereafter produces and distributes generally to all of its customers, or proposes to produce and distribute generally to all of its customers, any product manufactured by Vendor other than the Goods, Vendor shall notify Distributor of that new product. Distributor may request from Vendor distribution rights for that product in the Territory, or any portion thereof, and if so requested, Vendor shall add such new product to this Agreement as a “Good” hereunder.

Notwithstanding the foregoing, Vendor shall not be obligated to grant Distributor rights to distribute new products as Goods hereunder that are manufactured by third parties.

9. DISTRIBUTOR SALES, SERVICE AND STORAGE FACILITIES

As promptly as practicable after execution of the Agreement, Vendor shall transmit to Distributor the information, marketing materials, manuals and other technical documents necessary to enable Distributor to perform its obligations under this Agreement.

Distributor shall, at its expense, engage and maintain a marketing, sales, and service support team in the Territory, staffed with such experienced personnel as are necessary to enable Distributor to perform its obligations under this Agreement.

Distributor shall, at its expense, maintain facilities and personnel in the Territory that will enable it promptly and satisfactorily to perform, at a reasonable price, all implementation, support and other necessary servicing of Goods sold by Distributor.

10. TRAINING OF DISTRIBUTOR

To assist Distributor in the discharge of its service and maintenance obligations, Vendor shall provide service and maintenance training, without charge, to a reasonable number of Distributor’s personnel as Distributor shall designate. All such training shall occur remotely via video conference or at Vendor’s Center of Excellence (COE) Panama Pacifico, Panama facility. Distributor shall bear the cost of travel,

lodging and meals for its personnel to attend such training. Vendor shall bear the cost of preparing and performing such training.

The Distributor shall make available a minimum of 1 designated Distributor technical services staff member to become Distributor's lead trainer and to provide front line support for the End Clients.

Throughout the Term of this Agreement and any extension thereof, Vendor shall continue to give Distributor such technical training and technical assistance as Distributor may reasonably request. Distributor shall reimburse Vendor at Vendor's then current rates for travel and related expenses to mobilize Vendor's personnel for such training or technical assistance.

11. TERM OF AGREEMENT

The term of this Agreement commences on the Effective Date and will continue for a period of five (5) years thereafter, unless and until earlier terminated as provided under this Agreement (the "**Initial Term**"). Upon expiration of the Initial Term, this Agreement will automatically renew for additional successive 12-month terms unless and until either Party provides written notice of nonrenewal at least 90 days prior to the end of the then-current term, or unless and until earlier terminated as provided under this Agreement (each a "**Renewal Term**" and together with the Initial Term, the "**Term**"). If the Term is renewed for any Renewal Term(s) pursuant to this Section, the terms and conditions of this Agreement during each such Renewal Term are the same as the terms in effect immediately prior to such renewal, subject to any change in prices and payment terms during the applicable Renewal Term.

12. DISSOLUTION AND TERMINATION OF THE AGREEMENT

A. Events of Default

The following transactions or occurrences shall constitute events of default (each an "**Event of Default**"):

- I.* A material breach by a party of any material covenant, material warranty, or material representation contained herein, where such defaulting party fails to cure such breach within 30 calendar days after receipt of written notice thereof, or within such specific cure period as is expressly provided for elsewhere in this Agreement; or
- II.* A voluntary or involuntary bankruptcy, insolvency or assignment for the benefit of creditors of a party or in the event any action or proceeding is instituted relating to any of the foregoing and the same is not dismissed within 30 calendar days after such institution; or
- III.* A failure by either party to make payment of any monies payable pursuant to this Agreement as and when due; or
- IV.* One of the parties commits an illegal action that subjects the other party to harm or adverse consequences.

B. Termination

- I.* The non-defaulting party may, in addition to and without prejudice to or limiting any other rights and remedies available to the non-defaulting party at law or in equity, immediately and prospectively terminate this Agreement at the sole discretion of the non-defaulting party by giving written notice thereof to the other party upon the occurrence of an Event of Default (after giving effect to applicable cure periods, if any), setting forth sufficient facts to establish the existence of such Event of Default.
- II.* Except as otherwise provided herein, no termination of this Agreement for any reason shall relieve or discharge any party hereto from any duty, obligation or liability hereunder which was accrued as of the date of such termination.

- III. Either party may terminate this Agreement for convenience in the first 12 months after the effective date by providing not less than ninety (90) days' written notice thereof.

C. Duties Upon Termination

- I. Provided termination is not a result of an Event of Default, the parties agree to continue their cooperation in order to effect an orderly termination of their relationship.
- II. In the event this Agreement expires or is not renewed, all accepted but uncompleted Purchase Orders then pending, and the parties' respective rights and obligations thereunder, shall be fulfilled according to the terms and conditions of this Agreement.
- III. In the event a party terminates this Agreement for an Event of Default, the terminating party may, at its election, by providing irrevocable written notice at the time of termination, require any accepted but uncompleted Purchase Order then pending to be performed by the parties. Any uncompleted Purchase Orders so reaffirmed, and the parties' respective rights and obligations thereunder, shall be fulfilled according to the terms and conditions of this Agreement. Any uncompleted Purchase Orders not so reaffirmed shall be automatically canceled without any further action on the part of either party.
- IV. Upon termination, Distributor shall have no right to order any additional Goods and all of Distributor's rights and licenses granted hereunder shall immediately cease.
- V. Within 30 days of termination, Distributor shall, at its expense, return all copies of any promotional materials, marketing literature, written information and reports pertaining to the Goods.
- VI. Upon the expiration or earlier termination of this Agreement: (i) the parties shall immediately satisfy their monetary obligations to one another; and (ii) the parties shall destroy or return all Confidential Information exchanged and provide commercially reasonable evidence that this obligation has been completed.

13. CONFIDENTIAL INFORMATION

All confidential information shall be governed by the Mutual Confidentiality and Non-Disclosure Agreement (MNDA) that is attached and forming part of this Agreement found in Exhibit E. The terms of the MNDA shall survive the terms of the Agreement.

14. TERMS OF PURCHASE AND SALE OF GOODS

- A. Master Terms; Purchase Orders.** Subject to the terms and conditions of this Agreement, Distributor may purchase Goods from Vendor pursuant to one or more purchase orders placed by Distributor from time to time (each, a "**Purchase Order**"), with each Purchase Order being governed by and subject to the terms and conditions of this Agreement. Each Purchase Order shall specify the type and quantity of Goods to be purchased, the requested shipment date of the Goods and the purchase price. In the event of a conflict between the provisions of this Agreement and the provisions set forth in a Purchase Order, the provisions of this Agreement shall control. Vendor hereby rejects any and all terms and conditions in Distributor's Purchase Orders or pre-printed forms that add to, vary from or conflict with the terms of this Agreement
- B. Acceptance; Acknowledgments and Cancellation.** Vendor shall make commercially reasonable efforts to accept all Purchase Orders placed by Distributor. Each acknowledgement from Vendor shall specify the accepted quantity of Goods to be sold and the price and for all Goods to be sold under that order. Once accepted by Vendor, the Purchase Order shall be irrevocable and may not be cancelled without the written consent of Vendor.

- C. Shipping Date and Lead Times.** Vendor will use commercially reasonable efforts to adhere to Distributor's requested lead times for shipments. Lead times and target shipping dates for a specific Purchase Order will be determined only after Distributor has provided all information requested by Vendor for such order and paid all applicable deposits. Shipment dates are approximate and are based on prevailing market conditions, number orders in queue ahead of the Purchase Order, and material availability at the time of initial payment/deposit to Vendor. Vendor may, without being in breach, extend shipment schedules in response to material shortages, delays from vendors, production backlogs and failures of or delays in Distributor or End Customers promptly providing Vendor with all requested information and timely payments.
- D. Change in Shipping Date.** If the shipping date is likely to fall behind schedule, Vendor shall promptly notify Distributor of the reason for the delay and provide an alternative shipping date. If the alternative shipping date is more than sixty (60) days after the initially identified shipping date for the accepted Purchase Order, Distributor may, as its sole and exclusive remedy for such delay, cancel its obligation to purchase such delayed Goods, however, in no event may Distributor cancel the remaining portions of the applicable Purchase Order, other accepted Purchase Orders or this Agreement, and in no event shall Vendor be liable to Distributor for any damages which Distributor incurs as a result of a shipment being late.
- E. End User Terms and Conditions.** Distributor shall require all End Clients accept and agree to Vendor's End User Terms and Conditions set forth on Exhibit F.
- F. IP Licenses.** The authorization for Distributor and the End Clients to use Vendor's intellectual property is set forth in Exhibit E.

16. CANCELLATION OF ORDERS

Except as set forth in Section 15.D, accepted Purchase Orders cannot be cancelled without with Vendor's prior written consent. All deposits are non-refundable.

17. PURCHASE PRICE

The prices for Goods, and any discounts applicable thereto, are set forth in Exhibit A. All prices are EXW the Delivery Point. If the price for any Good is not set forth on Exhibit A and Distributor nevertheless orders such a Good from Vendor, the parties hereby evidence their intention thereby to conclude a contract for the sale of that Product at a reasonable price to be determined by the parties mutually negotiating in good faith.

18. PRICE CHANGES

Vendor reserves the right, in its sole discretion, to change prices or discounts applicable to the Goods. Vendor shall give written notice to Distributor of any price change with respect to Vendor-manufactured Goods at least 90 days prior to the effective date thereof, and shall provide notice of price changes with respect to Goods manufactured by third parties promptly upon notification from such third-party vendor. The price in effect as of the date of Distributor's receipt of notice of such price change shall remain applicable to all Purchase Orders accepted by Vendor prior to that effective date.

19. ACTIVATION AND ACCESS

Distributor shall, at its expense, provide the services of installation and activation, and provide access to all Goods to the End Client in accordance with the specifications in Vendor's Site Acceptance Testing protocol and Distributor's standard Technical Services Agreement, which services shall be suitable to permit activation and use of the Goods by the End Client; provided, however, that if Vendor requests a modification of those procedures, Distributor shall make the requested modification and Vendor shall bear

any reasonable expenses incurred by Distributor in complying with such modified procedures which are in excess of the expenses which Distributor would have incurred in following such specifications and Distributor's standard procedures.

20. DELIVERY: TITLE AND SECURITY

All shipments of Goods sold by Vendor to Distributor or the End Customer pursuant to this Agreement shall be made EXW (Incoterms) the Delivery Point, and title to and risk of loss of Goods shall pass from Vendor to Distributor at the Delivery Point, subject to payment in full of all amounts then due. Distributor shall be responsible for arranging all shipping, storage and accessibility of Goods, but if requested by Distributor, Vendor shall, at Distributor's expense, assist Distributor in making such arrangements.

If Distributor requests or delays shipment of Goods from Vendor's facility for longer than five (5) days after Vendor notifies Distributor it is ready to ship, or if Distributor requests or delays Goods being shipped from a third-party vendor for any period of time, Vendor may, at the sole election of Vendor, store Distributor's Goods at Vendor's facility at Vendor's then-current rates, or ship Distributor's Goods to a third-party warehouse for storage at Distributor's expense.

Distributor shall bear the risk of loss or destruction of its Goods while in the possession of Vendor or a third-party storage facility. Vendor will not be deemed a bailee of Distributor's Goods and will not assume any liability for loss or destruction of Distributor's Goods while in the possession of Vendor or a third-party storage facility.

Distributor hereby grants Vendor a security interest in the Goods, and all accessions thereto, substitutions and replacements therefor, and proceeds (including insurance proceeds) thereof, to secure the prompt payment and performance as and when due of all obligations and indebtedness of Distributor to Vendor. Distributor hereby authorizes Vendor to file or record one or more UCC-1 Financing Statements to perfect such security interest to be released upon inspection site visit and upon payment being received.

21. INSPECTION AND ACCEPTANCE

Promptly upon the receipt of delivery of Goods, Distributor shall examine the Goods to determine whether the Goods included in the delivery are missing or defective by virtue of not conforming to the Limited Warranty. Within 10 days of receipt of the shipment, Distributor shall notify Vendor in writing of any missing or defective Goods which Distributor claims existed at the time of shipment. Within 20 days after the receipt of such notice, Vendor will investigate the claim of missing or defective Goods and inform Distributor of its findings. If Vendor determines the Goods were missing or defective, its shall, at its expense and election, repair or replace such defective or missing Goods. All repairs or replacements will be performed in accordance with the warranty provisions of Section 23, and all replacements for missing Goods shall be shipped at Vendor's expense by the same means of transportation for the initial order of such Goods. All costs for expedited shipments will be at Distributor's expense.

22. PAYMENT

Unless otherwise agreed to in writing by Vendor, payment for all orders shall be 50% at the time of placing the order and the balance due and payable prior to shipment and not later than five (5) business days after Vendor notifies Distributor that all or a portion of the order is ready to ship. Vendor is not obligated to ship any Goods without payment in full of all amounts then due prior to shipping.

Payments shall be made by wire transfer and denominated in United States Dollars to a bank account to be notified in writing by Vendor to Distributor from time to time.

Distributor may not setoff against invoices or amounts owed to Vendor.

23. WARRANTIES

E. Limited Product Warranty

Vendor warrants to Distributor that for the Warranty Period (as defined below), Goods that are Sprout AI-branded products ("**Sprout AI Product**") will be free from significant defects in materials and workmanship (the "**Limited Warranty**").

The Limited Warranty shall not apply unless: (1) Distributor has paid in full for all invoices and amounts then due Vendor, including shipping and installation fees that may be due to Vendor, and (2) Vendor or its End Client has signed and returned all documentation required by Vendor within two (2) weeks of installation.

The "**Warranty Period**" begins on the later of (1) the date the Sprout AI Product is tendered to Distributor at Vendor's facility, or (2) if Vendor is providing placement and commissioning services at End Client's facility, the date Vendor substantially completes such services, and shall continue for eighteen (18) months thereafter

The Limited Warranty shall be void if the Sprout AI Product has: (a) been subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions or use contrary to any instructions or documentation issued by Vendor; (b) been reconstructed, repaired, or altered by any party other than Vendor or its authorized service representatives; or (c) been used with any software, hardware or product that has not been previously approved in writing by Vendor.

DISTRIBUTOR'S AND ITS END CLIENT'S SOLE AND EXCLUSIVE REMEDY FOR A BREACH OF THE LIMITED WARRANTY IS THE REPAIR OR REPLACEMENT, AT VENDOR'S OPTION, OF DEFECTIVE PARTS.

Goods manufactured by third parties ("**3rd Party Products**") are not covered by the Limited Warranty. Vendor, shall, to the extent assignable, assign to Distributor and its End Client any original manufacturer's warranty on 3rd Party Products, and any warranty service, maintenance or other services on 3rd Party Products shall be coordinated by Distributor and/or its End Client with the manufacturer of the 3rd Party Products.

Warranty claims must be made by Distributor or its End Client in writing prior to the expiration of the Warranty Period and within ten (10) days of the manifestation of a problem, or Distributor's or its End Client's knowledge of a defect (or upon reasonable inspection should have been discovered). If a warranty claim is submitted that Vendor reasonably determines is not covered by the Limited Warranty, Distributor or End Client shall be responsible for paying Vendor its out-of-pocket expenses (as well as any shipping and travel expenses) associated with Vendor responding to such claim.

Upon receipt of a warranty claim, Vendor shall notify Distributor or End Client in writing whether the defective part can, in Vendor's reasonable discretion: (1) be repaired or replaced by End Client on site without undue burden or cost to End Client, (2) must be returned to Vendor or a third-party vendor for repair or replacement, or (3) must be repaired or replaced on End Client's site by a Vendor service authorized representative.

If replacement parts are authorized by Vendor to be shipped to Distributor or its End Client, they will be shipped via normal ground transportation at the cost of Vendor. Any expedited shipping will be at Distributor's or its End Client's expense.

With respect to repair or replacement performed by End Client at Vendor's direction, End Client shall assume all responsibility and expense, including labor costs, for dismantling, removal, re-installation of replacement parts and freight in connection with the foregoing. The same obligations

and conditions extend to replacement parts furnished by Vendor hereunder. Vendor does not assume liability for installation, labor or damages caused by End Client's repairs.

If Vendor requires Distributor or its End Client to ship defective parts to Vendor or a third-party vendor, such parts shall be properly cleaned, packed and with transportation charges prepaid by Distributor or its End Client.

F. Services Warranty

Vendor warrants to Distributor that the services performed by Vendor will be performed in a competent and workman-like manner, consistent with prevailing industry standards, and that the employees or subcontractors assigned to perform any work hereunder will possess appropriate skill and training (the "**Services Warranty**"). Distributor's sole and exclusive remedy for a breach of the Services Warranty shall be, at Vendor's election, to re-perform the affected Services or a refund of fees for such affected services. Vendor does not authorize any Distributor or any other Person or party to make any warranties or assume or create for Vendor any other obligation or liability in connection with the Products or services performed by Vendor except as set forth in the Limited Warranty and the Services Warranty.

G. Pass Through

Vendor authorizes Distributor to pass through the Limited Warranty and the Services Warranty to the End Clients.

H. DISCLAIMER OF OTHER REPRESENTATIONS AND WARRANTIES; NON-RELIANCE

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 23, (A) NEITHER VENDOR NOR ANY PERSON ON VENDOR'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN. VENDOR HEREBY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, AND (B) DISTRIBUTOR ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY VENDOR, OR ANY OTHER PERSON ON VENDOR'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 23 OF THIS AGREEMENT.

24. Non-Solicit and Non-Circumvention

Each party agrees that it shall not, during the term of this Agreement and for a period of three (3) years after its expiration or termination for any reason, directly or indirectly:

- (1) solicit, entice or induce any client, customer, distributor, sales representative or vendor to cease doing business with the other party; or
- (2) solicit, recruit or hire any employee or contractor, of the other party (or any such Person that was an employee or contractor of the other party within the previous twelve (12) month period), or
- (3) engage in any activity that would cause any such Person to terminate his, her or its relationship with the other party or violate any agreement with the other party.

25. LIMITATIONS OF LIABILITY

IN NO EVENT SHALL EITHER PARTY BE LIABLE HEREUNDER FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING COVER, ECONOMIC DAMAGES OR

LOST PROFITS, REGARDLESS OF WHETHER SUCH PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

A PARTY'S MAXIMUM LIABILITY HEREUNDER SHALL NOT EXCEED THE AMOUNT PAID OR TO BE PAID TO VENDOR HEREUNDER IN THE 12 MONTHS PRECEDING A CLAIM.

THE FOREGOING LIMITATIONS OF LIABILITY SHALL NOT APPLY TO CLAIMS OR DAMAGES ARISING FROM A BREACH OF THE COVENANTS OF CONFIDENTIALITY BETWEEN THE PARTIES OR A VIOLATION OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS.

26. NOTICES

All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement must be in writing, sent by certified US Mail or overnight FED EX, HDL or similar reputable carrier and addressed to the other party set forth below (or to such other address that the receiving party may designate from time to time in accordance with this Section).

TheraCann International Benchmark Corporation

International Business Park Unit 5B, Building 3860, Panama Pacifico, Republic of Panama
Legal Officer
email: legal@theracann.solutions

Sprout AI S.A.

International Business Park Unit 5B, Building 3860, Panama Pacifico, Republic of Panama
Legal Officer
email: legal@sproutai.solutions

27. ENTIRE AGREEMENT

This Agreement contains the entire understanding of the parties regarding the subject matter herein and there are no commitments, agreements, or understandings between the parties regarding such subject matter other than those expressly set forth herein. This Agreement may not be altered, waived, modified, or amended except in writing signed by the parties hereto.

28. CHOICE OF LAW

This Agreement, including all exhibits, schedules, attachments and appendices attached to this Agreement and thereto, and all matters arising out of or relating to this Agreement, are governed by, and construed in accordance with, the laws of the Republic of Panama, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the Republic of Panama. The United Nations Convention on Contracts for the International Sale of Goods shall not apply in construing or interpreting this Agreement, a breach of the Agreement or the relationship between the Parties. To the extent this Agreement or any documents related thereto are translated into languages other than English, only the English version shall be controlling.

29. ARBITRATION

Any dispute arising from or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be resolved through negotiation between the parties in the first place. In the event that a mutually acceptable resolution cannot be reached within ten (10) days after commencement of the negotiation between the parties to resolve such dispute, either party may submit the dispute to the International Chamber of Commerce, International Court of Arbitration and the venue for any such claim shall be in New York City, New York, USA ("ICC") which shall be conducted in accordance with

the rules of the ICC (the “Rules”) in effect at the time of applying for arbitration. The tribunal shall consist of one (1) arbitrator to be appointed by the ICC. The Arbitrator shall award the prevailing party its reasonable attorneys fees and costs incurred. The arbitration proceedings shall be conducted in the English language. The arbitral award shall be in accordance with applicable law, final and binding upon both parties and may be enforced by a court of competent jurisdiction in the United States of America, the Republic of Panama, Canada or any other country.

30. MISCELLANEOUS

- A. Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon a determination that any term or provision is invalid, illegal, or unenforceable, the parties shall endeavor to amend the Agreement to effect the original intent of the parties as closely as possible in order that the transactions be consummated as originally contemplated to the greatest extent possible.
- B. Waiver.** No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- C. Cumulative Remedies.** All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties or otherwise.
- D. Equitable Remedies.** The parties acknowledge and agree that (a) a breach or threatened breach of any of its respective obligations under Sections 5, 7.B, 7.C, 7.D, 8, 12.C, 13 and 24 or any other provision as the context requires would give rise to immediate and irreparable harm to the non-breaching party for which monetary damages would not be an adequate remedy, and (b) in the event of a breach or a threatened breach of any such obligations, the non-breaching party shall, in addition to any and all other rights and remedies that may be available to it at law, at equity, or otherwise in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy.
- E. Assignment.** Distributor shall not assign any of its rights or delegate any of its duties hereunder other than to an affiliate or to an acquiror of all or substantially all of such party's assets. Any purported assignment or delegation in violation of this Section is null and void.
- F. Successors and Assigns.** This Agreement is binding on and inures to the benefit of the parties to this Agreement and their respective permitted successors and assigns.
- G. No Third-party Beneficiaries.** This Agreement benefits solely the parties to this Agreement and their respective permitted successors and assigns.
- H. Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

- I. **Force Majeure.** Vendor shall not be liable or responsible to Distributor, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by or results from acts beyond Vendor's reasonable control, including, without limitation: (a) flood, drought, fire, earthquake or explosion; (b) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (c) seizures of equipment or materials by law enforcement; (d) strikes, labor stoppages, or slowdowns or other industrial disturbances; (d) viruses, sickness, epidemics, pandemics and related governmental orders related thereto; or (f) shortages of required materials, adequate power or transportation facilities.
- J. **Relationship of Parties.** Nothing in this Agreement creates any agency, joint venture, partnership or other form of joint enterprise, employment or fiduciary relationship between the parties. Distributor is an independent contractor pursuant to this Agreement. Neither party has any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other party or to bind the other party to any contract, agreement, or undertaking with any third party.
- K. **No Public Announcements.** Neither party shall make any statement (whether oral or in writing) in any press release, external advertising, marketing or promotion materials regarding the other party or its business unless: (a) it has received the express written consent of the other party; or (b) it is required to do so by law.
- L. **Heading Disclaimer.** The headings or captions used in this Agreement are for reference purposes only and are not intended to be used or relied upon in interpreting or enforcing this Agreement.
- M. **Interpretation.** The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.
- N. **Survival.** Notwithstanding the expiration or termination of this Agreement for any reason, the parties hereto shall be required to carry out all provisions of this Agreement which contemplate performance subsequent to such termination and any such termination shall not affect any liability or other obligation which shall have accrued prior to such termination.
- O. **Statute of Limitations.** Notwithstanding any right under any applicable statute of limitations to bring a claim, no action or claim based upon or arising in any way out of this Agreement may be brought by Distributor after the one (1) year of the act or omissions giving rise to such action or claims, and Distributor waives the right to file any such action after the expiration of the applicable survival or other period.

IN WITNESS WHEREOF, the undersigned parties have entered in to this Agreement as of the Effective Date.

VENDOR

DISTRIBUTOR

Sprout AI, S.A.

TheraCann International Benchmark Corp.

By: [REDACTED]
Authorized Signature

[REDACTED]
Authorized Signature

Chris Bolton, Director

Chris Bolton, Director

**EXHIBIT “A”
GOODS
(See Attached)**

EXHIBIT “A-1”
Lead Registration Program
(See Attached)

Exhibit “B” TERRITORY

1. Argentina
2. Australia
3. Canada
4. Colombia
5. Israel
6. Island of Man
7. Lesotho
8. New Zealand
9. Panama
10. Peru
11. South Africa
12. St. Martin
13. Tasmania
14. United Kingdom
15. United States
16. Zambia
17. Zimbabwe

Exhibit “C” TRADEMARKS

Vendor Trademarks include:

- Sprout AI
- Powered by Sprout AI
- Beyond Farms
- Beyond Farming



Distributor Trademarks include:

- TheraCann International
- TheraCannAIR
- TheraCannCapital
- TheraCannPAY
- TheraCannSYSTEM
- TheraCannTechnology
- One System One Solution (OS2)
- ETCH biotrace



Exhibit “D”

MARKETING, SALES AND SERVICES ACTIVITIES LIST

- On-site manufacturing line commissioning.
- On-site routine maintenance.
- On-Site warranty repairs.

All fees for services to be billed directly to End User unless agreed to otherwise in writing by Vendor. Vendor may require Distributor to enter into a services agreement covering performance of services that are paid by Vendor.

EXHIBIT “E”

Mutual Non-Disclosure Agreement (MNDA) (See Attached)

EXHIBIT F

SPROUT AI S.A. STANDARD TERMS & CONDITIONS FOR END USER CUSTOMERS

CUSTOMER FACILITIES INSPECTION

Sprout AI will provide Customer with installation documentation (“**Installation Documentation**”) for the Product.

Prior to shipping Product from Sprout AI’s facility, Customer shall perform a site inspection of Customer’s facility to verify that Customer’s facility meets or exceeds the criteria set forth in the Installation Documentation by signing and returning the site inspection checklist (the “**Signed Checklist**”) to Sprout AI. Customer will check the work site for the appropriate space, food grade standards, electrical, HVAC, and other miscellaneous infrastructure required for the Product to function properly. The Installation Documentation and inspection checklist serve as a guide for Customer only. Sprout AI assumes no liability if Customer fails to return the Signed Checklist, if Customer’s work site does not meet the requirements identified by Sprout AI or if Customer’s work site is otherwise inadequate for Customer’s use of the Product or Customer’s operations.

Sprout AI assumes no responsibility to make any improvements to Customer’s facility, for improvements made by Customer or third parties, the installation of Product performed by Customer or any third parties, or the installation of any 3rd Party Product. Sprout AI is not responsible for inadequate facilities or Product misuse.

FACTORY ACCEPTANCE TESTING (FAT) OF PRODUCT

Customer may, within the earlier of, thirty (30) days written notice prior to the scheduled shipment, or the written notification by Sprout AI that Sprout AI Product is ready to ship, elect to inspect Sprout AI manufactured Product prior to shipment to verify that the Product conforms to Sprout AI’s specifications. Factory Acceptance Tests and specifications are solely determined by Sprout AI unless alternative specifications are agreed to in writing by an authorized representative of Sprout AI.

Factory Acceptance Testing specifications for Sprout AI manufactured Product will cover safety device testing, warning device testing, and operational device testing. Test specifications are available upon request.

Documents available to Customer during Factory Acceptance Testing will include user’s manual, installation and operational qualification documentation, installation drawings, factory acceptance test protocols, parts lists, maintenance protocols, packing list and diagrams.

FACTORY TRAINING

Sprout AI agrees to provide at no additional cost one (1) day of training to Customer at Sprout AI's facility. The date for this training will be scheduled for a mutually convenient time. Any additional factory training requested by Customer and agreed to by Sprout AI will be charged to Customer at Sprout AI's then current rates.

Factory training will cover the operation, maintenance, and troubleshooting of the Product.

Prior to gaining access to Sprout AI's facility, Customer and its personnel will be required to provide proof of insurance reasonably acceptable to Sprout AI, and sign confidentiality agreements and liability waivers.

SITE ACCEPTANCE TESTING

At the option of the Customer, Customer may request site acceptance testing in lieu of or in addition to Factory Acceptance Testing for all Sprout AI manufactured Product. The test plan and acceptance testing specifications are solely determined by Sprout AI. A test plan and fee proposal will be provided upon request. Testing will be limited to the functionality testing specifications provided in the proposal. Site Acceptance Testing is not commissioning, and no production will be conducted during Site Acceptance Testing.

If Site Acceptance Testing is performed at Customer site, Customer must deliver signed acceptance documentation to Sprout AI to obtain warranty coverage.

Payment is not contingent on or excused by Site Acceptance Testing or delays in Site Acceptance Testing.

MANUFACTURING LINE COMMISSIONING

Placement and commissioning of Product may be included in the quote under the heading Sprout AI Professional Services in the line item "Manufacturing Line Commissioning". If Customer chooses to opt out of Manufacturing Line Commissioning, the Product shall be installed by and at the risk and expense of Customer. Sprout AI's responsibility for Product Manufacturing Line Commissioning shall be limited to exercising that degree of skill customary in the trade in installations of the same type.

Sprout AI will not be responsible for any losses incurred by Customer arising from delays in installation.

Customer shall remain responsible for all other aspects of the work including facility readiness and compliance with the local regulations inclusive of electrical, fire, zoning, and any other local requirements that may be location specific. Customer is responsible for all hook-ups of utilities, including electrical and plumbing. If the facilities do not conform to the requirements in the Signed Checklist causing delays in installation, then Customer shall compensate Sprout AI at its current daily field service rates plus travel expenses.

If Manufacturing Line Commissioning is performed by Sprout AI, Customer must deliver signed installation documentation to Sprout AI to obtain warranty coverage.

PROTECTION OF INTELLECTUAL PROPERTY

All documents, software design, software coding, charts, drawings, specifications, notebooks, tracings, photographs, negatives, draft or final reports, findings, recommendations, data and memoranda, standard operating procedures, formulations, and other trade secrets and works of authorship provided by Sprout AI in connection with the Products and Services are and shall remain the sole and exclusive property of Sprout AI. All ideas, inventions, improvements, discoveries, processes and inventions created or reduced to practice by Sprout AI, alone or in conjunction with Customer, in connection with the design, manufacture or installation of the Products or the provision of Services is and shall remain the sole and exclusive property of Sprout AI. Customer shall, and hereby does, assign all right, title and interest in and to the same to Sprout AI. Any such intellectual property is deemed the Confidential Information of Sprout AI.

DOCUMENTATION, SOFTWARE AND LICENSES

Sprout AI hereby grants to Customer a limited, non-exclusive and non-transferable right and license, solely for Customer's internal business purposes, to practice the procedures, processes and methods provided by Sprout AI solely in connection with Customer's operation and use of the Product for Customer's internal business purposes. Customer shall not make any copies or derivative works of documentation or instructions or provide them to any third parties. Customer shall not remove any titles, trademark symbols, copyright symbols and legends or other proprietary markings.

Sprout AI hereby grants to Customer, a limited, non-exclusive and non-transferable right and license to use the software and firmware installed on Products manufactured by Sprout AI solely in connection with Customer's internal business purposes while operating the Products.

Sprout AI may require Customer to enter into a separate license agreement and charge a royalty for use of its processes and procedures as specified in the quotation or in a separate written contract with Customer.

The foregoing licenses are exclusive of third-party software licenses, and licenses to use software proprietary to Sprout AI (other than firmware) that is distributed by Sprout AI separately or pre-installed on computers, tablets and other computing devices sold to Customer, including OS2, that contain a "click-wrap" or "click-through" license. All such software shall be governed by the terms of licenses for such software.

Sprout AI reserves all rights not granted herein.

NON-DISCLOSURE

Customer will have access to information that is proprietary or confidential to Sprout AI ("**Confidential Information**"). Confidential Information shall be governed by the terms of our Mutual Non-Disclosure Agreement (MNDA) and shall survive the termination of any purchase agreement.