

INTELLECTUAL PROPERTY LICENSE AGREEMENT

THIS INTELLECTUAL PROPERTY LICENSE AGREEMENT (this "*Agreement*") is entered into effective as of *[Redacted: date of agreement]*, (the "*Effective Date*") between *[Redacted: name of party]* ("*Licensee*"), and *[Redacted: name of party]* ("*Licensor*"), sometimes hereinafter referred to singularly as a "*Party*," and collectively as the "*Parties*."

WHEREAS, Licensor is the rightful owner of certain intellectual property and rights pertaining to the *[Redacted: name of brands]* (the "*Brands*") and propriety processes (as more fully defined below, the "*IP*"), and packaging containing the IP (as more fully defined below, the "*Packaging*"), and substrate (as defined below); and

WHEREAS, Licensee owns and operates facilities that manufacture medical and/or retail marijuana Products (as defined below) in accordance with all Applicable Laws (as defined below); and

WHEREAS, Licensor desires to grant to Licensee, and Licensee desires to obtain from Licensor, a revocable, non-transferable, exclusive, limited license to use the IP within the State of Nevada, subject to the terms and conditions of this Agreement; and

WHEREAS, Licensor desires to sell to Licensee, and Licensee desires to purchase from Licensor, certain units of Packaging and Substrate, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants and undertakings cited herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1. "*Applicable Laws*" means NRS Chapter 453D *et seq.*; NRS Chapter 453A *et seq.*; any and all local municipal guidelines, regulations and ordinances; or any other applicable regulatory agency ("*Licensing Authorities*").

1.2. "*Blend*" means the final blend of *Oil [Redacted: confidential product information]* in strict accordance with the detailed instructions provided by Licensor under this Agreement and provided to Licensee from time to time (the "*Specifications*").

1.3. *[Redacted: confidential product information]*.

1.4. "*Licensed IP*" means any of the following that is provided by Licensor to Licensee for the application, manufacture, and/or production of the Blend, *[Redacted: confidential product information]*, or the Licensed Products (as defined herein) (i) all proprietary processes, formulas, specifications, standards, procedures, methods, know-how, trade secrets, unique and innovative uses of an existing invention trade names, copyrights, design rights, trademarks, word marks, service marks, design marks, certification marks, and marks or other designations of origin,

whether or not protected by copyright, trademark, or similar law, and all other intellectual property rights and marks owned, held, controlled or otherwise utilized with permission by Licensor pertaining to the Licensor and/or its Brands and associated logos exclusively within the Licensed Territory, regardless of whether such marks are registered with any state or federal agency, (ii) all intellectual property and rights pertaining to the Licensor and/or its Brands and logos exclusively within the Licensed Territory (the "**Licensor Brands**"), and (iii) Licensor's material vendor relationships, including, but not limited to its Substrate, packaging and labeling vendors. For purposes of clarity, the Licensed IP is not intended to limit or prohibit use of any extraction technology to create Oils other than as is specifically and precisely provided by Licensor to Licensee for the manufacture and production of the Blend and/or **[Redacted: confidential product information]** for application to the Licensed Products.

1.5. "**Licensed Territory**" means the entire State of Nevada.

1.6. **[Redacted: confidential product information]**.

1.7. "**Oil**" means cannabis extracted oils that Licensee shall produce using an extraction method **[Redacted: confidential product information]**.

1.8. "**Packaging**" means any packaging and labels sourced and/or owned by Licensor and containing the Licensed IP.

1.9. "**Licensed Products**" means the Substrate infused with the Blend, as manufactured by Licensee in accordance and in compliance with all Applicable Laws. Licensed Products are sold or otherwise distributed within Nevada and at all times in accordance with such the Applicable Laws, as the same may be modified or amended.

1.10. "**Substrate**" means any uninfused material that will be provided exclusively by Licensor to Licensee.

ARTICLE II GRANT OF LICENSE; TERMS OF USE; EARLY TERMINATION; TESTING

2.1. **Grant.** Subject to the terms and conditions set forth in this Agreement, Licensor hereby grants to Licensee a revocable, non-transferable, exclusive, limited license to use the Licensed IP in connection with Licensee's sale of Products contained in the Packaging exclusively within the Licensed Territory (hereinafter, the "**License**"). The Parties agree that all or part of the Licensed IP may be licensed by Licensor to one or more additional persons or entities outside the Licensed Territory by Licensor with reasonable notice to Licensee prior to launch in areas outside of the Licensed Territory, subject to any confidentiality provisions imposed by applicable agreements. Licensee shall have no right to object to licensing by Licensor outside of the Licensed Territory.

2.2. **Terms of Use.** Licensee is permitted to use the Licensed IP only in connection with its production and sale of Licensed Products exclusively within the Licensed Territory. Subject to the written notice and the opportunity to cure any alleged default pursuant to Section 2.5, the License may be immediately revoked by Licensor if Licensee utilizes or attempts to utilize any of the Licensed IP in connection with any business dealings outside the scope of this

Agreement or outside the Licensed Territory. The License commences on the Effective Date, and expires eighteen months (18) months after the Effective Date; provided, however that (i) the term may be extended by the mutual written agreement of the Parties and (ii) this Agreement may be terminated earlier in accordance with Section 2.4, 2.5, 2.6 or 10.2, below. In the event of the termination or expiration of this Agreement, all rights granted hereunder to Licensee shall terminate provided that upon termination, Licensor shall have the right to purchase any then uninfused Substrate from Licensee for cost, and any infused Substrate at \$4.65 per Single Unit (collectively, the “Repurchase Option”). If Licensor does not elect the Repurchase Option, then Licensee shall be able to sell through any then existing inventory in the normal course of business. Licensee shall comply with all standards of use for the IP established by the Licensor and shall at all times display appropriate trademark and copyright notices as reasonably instructed by Licensor. All media advertising, printed materials and electronic documents in which the IP is used must be submitted to Licensor for approval before use and may not be distributed or used in any manner without the prior written approval of Licensor, not to be unreasonably conditioned withheld or delayed. During the term of this Agreement, Licensee shall not engage in any negligent or willful act that in any manner infringes, impeaches, dilutes or lessens the value of any of the IP, or the goodwill associated therewith, or the reputation of Licensor. Licensee agrees to cooperate (at Licensor’s sole expense) with Licensor in protecting, defending and registering the Licensed IP. Licensee will promptly notify Licensor in writing of any infringement of or challenges to the Licensed IP which come to Licensee’s attention. The Parties agree to cooperate in good faith to comply with all Applicable Laws.

2.3. Ownership of Licensed IP. Nothing contained herein shall be construed as an assignment or grant to Licensee of any title or ownership interest in or to the Licensed IP, and the Parties agree that the Licensed IP is the sole and exclusive property of the Licensor. Licensee shall not acquire any right, title or interest in any of the Licensed IP and Licensee hereby irrevocably assigns and transfers to Licensor any right, title and interest that it may acquire in any of the Licensed IP as a result of the exercise of its rights under this Agreement. All advertising, artwork, designs and derivative works involving the Licensed IP, or any reproduction thereof, shall, notwithstanding their invention or use by Licensee, be and remain the property of Licensor; provided, however that such items shall become part of the Licensed IP, and Licensee shall be entitled to use them to the extent permitted by this Agreement.

2.4. Licensee Intellectual Property. Notwithstanding anything herein to the contrary, Licensee, and its Affiliates have, hold and own valuable intellectual property including, but not limited to cultivation technologies, oil manufacturing, product branding, trademarks, distribution and networks, licenses, recipes, know-how and production techniques related to marijuana products and oils (including without limitation infused products), waxes, shatter, and other cannabis or marijuana extractions and concentrates Nothing contained herein shall be construed as an assignment or grant to Licensor of any title or ownership interest in or to the **[Redacted: confidential product information]**, and the Parties agree that the **[Redacted: confidential product information]** is the sole and exclusive property of the Licensee. Licensor shall not acquire any right, title or interest in any of the **[Redacted: confidential product information]** and Licensor hereby irrevocably assigns and transfers to Licensee any right, title and interest that it may acquire in any of the **[Redacted: confidential product information]** as a result of the exercise of its rights under this Agreement. All advertising, artwork, designs and derivative works involving the

[Redacted: confidential product information], or any reproduction thereof, shall, notwithstanding their invention or use by Licensor, be and remain the property of Licensee.

2.5. **Early Termination.** This Agreement may be immediately terminated for cause by either Party in the event of; (a) a material breach hereof by the other Party that continues uncured for a period of thirty (30) days after delivery of written notice of breach, in the case of a non-monetary breach, or fifteen (15) days, in the case of a monetary breach, after delivery of written notice thereof to the breaching Party, (b) any action or inaction taken or failed to be taken that can reasonably be expected to diminish the value of Licensor's Brands, or (c) failure of Licensee to meet the Minimum Thresholds, as defined on **Exhibit A** hereto. If the Licensing Authorities rejects or disapproves of this Agreement or requests information from Licensor that it cannot reasonably provide in its sole discretion, the Parties shall cooperate in good faith for no less than fifteen (15) business days to amend this Agreement to comply with Applicable Laws. In the event the Parties are unable to reach an agreement after such fifteen (15) day period, either Party may elect to terminate this Agreement, and this Agreement shall be deemed to be terminated as of the date of such rejection or disapproval by the Licensing Authorities and this Agreement shall be void and be of no further effect. In the event of termination under Section 2.5 or Section 2.6, the License shall be terminated, and the Parties shall cooperate in good faith to conduct an accounting regarding any outstanding Packaging and Substrate Fees as defined in Section 4.1. Furthermore, the Parties shall comply with Section 5.3—Delivery of Confidential Information to Discloser on Termination and Licensee shall have the right to sell any remaining Licensed Products in inventory at the time of termination.

2.6. **Other Terminations.** Either Party has the right to terminate at any time if there is an express change in federal enforcement priorities, similar to the priorities established in the Cole Memorandums or if the laws of the Territory change such that performance of the Parties obligations under this Agreement are illegal under the laws governing the Territory; including, but not limited to the Parties being unable (after a good faith attempt by the Parties), to resolve any regulatorily-mandated stamping, labeling, and/or packaging requirements. In the event that an inability to resolve the aforementioned regulatory mandates results in a failure to launch the Licensed Products, such that no sales are made in the Territory, any fees paid to the Licensor pursuant to Exhibit A herein, shall be returned to the Licensee within 30 days of termination.

2.7. **Testing.** To the extent required by the then-current provisions of the Applicable Laws, the Hardware, Edibles, Packaging, and *[Redacted: confidential product information]* are regularly tested for compliance with Applicable Laws, and Licensor shall deliver to Licensee only such Hardware, Substrate, Packaging, and *[Redacted: confidential product information]* as complies with such laws, and Licensor agrees to provide Licensee with such test results upon request.

ARTICLE III SUBLICENSING

3.1. **No Sublicensing Without Consent;** Licensee is not permitted to sublicense any of the rights it obtains under the License without the prior written consent of Licensor, which may not be unreasonably withheld.

ARTICLE IV
PACKAGING AND SUBSTRATE FEE; BILL OF SALE; PURCHASE ORDERS

4.1. **Packaging and Substrate Fees.** Licensee shall pay Licensor "*Packaging and Substrate Fees*" in the amounts set forth on Exhibit A, attached hereto and incorporated herein by reference, for each unit of Packaging and Substrate delivered by Licensor to Licensee. The Parties may adjust the Packaging and Substrate Fees by mutual agreement in writing; provided, however that such adjustments may not occur more frequently than semiannually and/or in the event of an increase in the cost of Substrate to the Licensor resulting from tariff's or like taxes implemented or assessed after the Effective Date. The Packaging and Substrate Fees shall be payable without setoff or deduction, without notice or demand, as set forth in the applicable purchase order form to be mutually agreed upon by the Parties (each a "**Purchase Order**") pursuant to the Payment Terms reflected on Exhibit A, attached hereto, with the exception that Licensor agrees to setoff for costs, expenses, and/or losses incurred by Licensee as a direct result of non-conforming or non-compliant products where the nonconformity or noncompliance was the fault of Licensor, as reasonably determined by Licensee. Notwithstanding anything to the contrary in the Purchase Order, if there is a conflict between the terms hereof and the Purchase Order, and that the conflicting term(s) contained in the Purchase Order was not specifically agreed to by Licensor and Licensee, then the terms of this Agreement shall control. The Packaging and Substrate Fees shall be paid at Licensor's address, as set forth below or at such other address or addresses as Licensor may from time to time designate by written notice. Repeated failure of Licensee to pay the Packaging and Substrate Fees on or before the date such fee is due shall be deemed to be a material breach of this Agreement. Licensor acknowledges that most, if not all, Packaging and Substrate Fees shall be paid in cash. Accordingly, notice from Licensee to Licensor of cash being available for pick up at Licensee's place of business shall constitute payment and is not a material breach of this Agreement. No aspect of this Agreement shall be construed as a grant to Licensor of equity or profits interests in the business of Licensee, or as an arrangement whereby Licensor earns a percentage of revenue for the sale of the Licensed Products; this Agreement solely reflects compensation paid by Licensee to Licensor for the License, and the associated procurement of Substrate and Packaging. No aspect of this Agreement shall be construed to authorize Licensor to exercise control, or be positioned so as to enable the exercise of control, over Licensee or Licensee's business at any time whatsoever. Notwithstanding anything herein to the contrary, the Packaging and Substrate Fees shall not be due in any month when the Packaging is not delivered by Licensor to Licensee under this Agreement or for any unit of Packaging or Substrate in the event such Packaging or Substrate is not compliant with the Specifications or Applicable Law.

4.2. **Bill of Sale and Purchase Orders.** All Packaging and Substrate referenced herein shall be conveyed and transferred by means of a Bill of Sale. The Parties shall negotiate in good faith, and shall document in Purchase Orders, the amounts of Packaging and Substrate and methods of delivery, timing and inspection for the Packaging and Substrate delivered by Licensor to Licensee pursuant to this Agreement.

4.3. **Product Recall.** If required by the Applicable Laws and/or the Licensing Authorities, Licensee may recall any non-conforming Products from the marketplace and destroy them or surrender them to the Licensing Authorities. The Party or Parties responsible for the non-conformance, as determined after reasonable investigation, are responsible for all related expenses and costs and the responsible Party or Parties shall pay for such expenses and costs accordingly.

If after reasonable investigation, it is determined that both Parties are responsible, then the Parties shall reasonably negotiate and agree to an equitable allocation of financial responsibility provided however that Licensee shall be responsible to provide adequate notice to Licensor of any regulator changes relating to the Products and/or Packaging. In no event shall Licensor be responsible for any costs related to a recall that is a result of unsuitable conditions for the production or manufacture of Licensed Products within the Licensee's licensed facility or non-conformance with Licensor's Specifications and training for the production and manufacture of the Licensed Products.

ARTICLE V CONFIDENTIALITY

5.1. **Confidential Information.** The Parties acknowledge that as a result of the performance of this Agreement, each Party (for purposes of this Article V, the "*Discloser*") will have access to and will acquire other confidential information of the other Party (for purposes of this Article V, the "*Recipient*").

(a) For purposes of this Agreement, the term "*Confidential Information*" includes, without limitation, financial information, client, potential client and contacts lists, methods of doing business, materials, inventions, discoveries, ideas, processes, know-how, competitive bid data, prices paid or received for goods or services purchased or sold, price lists, marketing information, business plans and strategies, product plans, products (including the country of origin of any Packaging or Substrate, services, developments, processes, designs, drawings, methods, techniques, trade secrets, all information generated by Discloser that is marked as "copyright," "trademark," "confidential," "secret," or "registered", any other data where the information might be used to the detriment of Discloser and/or its clients or potential clients, branding strategies, logistics, manufacturing processes, packaging and substrate procurement methodologies, all other intangibles associated with the IP of each party that are not known or readily knowable by the general public and all notes, analyses, compilations, studies and other documents, whether prepared by Recipient or others which contain or reflect such information. Confidential Information does not include information that (A) at the time of disclosure by Discloser to Recipient, was published or known publicly or was otherwise in the public domain, (B) after disclosure by Discloser to Recipient, is published or becomes publicly known or otherwise in the public domain other than as a result of a breach of this Agreement, or (C) was disclosed to Recipient in good faith by a third party who was not, and is not, under any obligation of confidence or secrecy to Discloser, or its clients or prospective clients at the time of such disclosure.

(b) Recipient acknowledges that (A) the Confidential Information is the sole property of Discloser, (B) disclosure thereof to any third party would cause substantial loss to the goodwill of Discloser, (C) disclosure thereof is being made by Discloser to Recipient only because of the agreement of Recipient to the restrictions contained herein, (D) absent such restrictions, the knowledge of Recipient of these matters would enable Recipient to compete with Discloser in a manner likely to cause Discloser irreparable harm, and (E) disclosure of such matters by Recipient would likewise cause such harm.

5.2. **Protection of Confidential Information.**

(a) During the term of this Agreement and thereafter Recipient shall (i) hold the Confidential Information in strict confidence, (ii) exercise reasonable precautions to preserve the confidentiality of the Confidential Information with no less care than Recipient uses to protect and preserve its own confidential information, (iii) not disclose the Confidential Information to any third party without Discloser's prior written consent and (iv) not use the Confidential Information for the benefit of any person other than Discloser. Except as necessary to perform Recipient's duties and responsibilities under this Agreement, Recipient shall not copy or duplicate any of the Confidential Information. In the event that any unauthorized disclosure of any Confidential Information shall occur as a result of Recipient's actions or inactions, Recipient shall immediately notify Discloser in writing of the disclosure and the circumstances surrounding such disclosure.

(b) Notwithstanding the foregoing, Discloser acknowledges that Recipient may, in its ordinary course of business, be required to disclose all or a portion of the Confidential Information in Recipient's possession to employees, agents, or independent contractors performing work for Recipient (each a "**Representative**"). Recipient agrees that any such disclosure shall be limited in scope to the extent commercially practicable, and Discloser agrees that any such disclosure, properly limited in scope and content, shall not constitute a violation of this provision or breach of this Agreement. Recipient further agrees that prior to any such disclosure, Recipient shall enter into an agreement with the Representative which subjects the Representative to restrictions on use and disclosure of the Confidential Information at least as stringent as set forth herein. The Parties acknowledge that disclosure of the Confidential Information as required pursuant to any local, state, or federal statute, regulation, or other law, or by order of any court of competent jurisdiction or decree of any governmental agency (but only after Recipient has provided Discloser with reasonable notice and opportunity to take action against any legally required disclosure) shall not constitute a breach of this Agreement.

5.3. Delivery of Confidential Information to Discloser on Termination. Recipient shall deliver all of the Confidential Information in Recipient's possession to Discloser upon the termination of this Agreement, or at any time upon Discloser's request, together with Recipient's written certification of compliance with this Section 5.3.

5.4. Protections Cumulative. The Parties agree and acknowledge that the protections set forth in this Article V shall be cumulative with and not in place of any protections of Confidential Information set forth in any other agreement between the Parties.

5.5. Records. The Parties hereto agree to keep accurate records in sufficient detail to reflect its operations under this Agreement, and to enable the amounts due under this Agreement to be determined. All records shall be retained for no shorter than two (2) years after the termination of this Agreement, or for such longer time as may be required to resolve any question or discrepancy raised by either Party prior to termination.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

6.1. Licensor's Representations and Warranties to Licensee. Licensor represents and warrants that (i) Licensor has the full right and authority to enter into this Agreement, to grant

the License and to conclude the transaction described herein, (ii) Licensor is the owner of the Licensed IP and the Packaging, (iii) to the best of Licensor's knowledge, the License granted hereunder does not infringe upon or violate the rights of any third parties inside or outside the Territory, (iv) there are no outstanding liens, encumbrances, license grants or agreements, whether written, oral, or implied, or any commitments or obligations, regarding the License or Licensed IP, which conflict in any way with its obligations under this Agreement, (v) no claim by any third party contesting the validity, enforceability, use or ownership of any of the Licensed IP has been made against Licensor or, to the present knowledge of Licensor, is threatened, (vi) Licensor has not received any notice of, nor to the present knowledge of Licensor, are there any facts which indicate to Licensor a likelihood of any infringement or misappropriation by, or conflict with, any third party with respect to the Licensed IP; (vii) *[Redacted: confidential product information]* are derived from food-grade substances from suppliers; (viii)(a) all Substrate delivered hereunder shall be merchantable and fit for human consumption; and (b) the Substrate has been manufactured in accordance with all applicable good manufacturing practices for food (including without limitation sound storage, handling, mixing, manufacturing, sanitation and safety practices); and (ix) all ingredients, nutritional characteristics and contents of the Product(s) conform precisely to the ingredient declarations specified on the Product labels and (x) the items comprising each shipment or other delivery made by Licensor (or its designees) to Licensee are guaranteed, as of the date of delivery, to be in strict compliance with any and all applicable laws and not to be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act (the "FDCA") and not an article which may not, under the provisions of Section 404 or 505 of the FDCA, be introduced into interstate commerce.

6.2. **Licensee's Representations and Warranties to Licensor.** Licensee represents and warrants that (i) Licensee has the full right and authority to enter into this Agreement, to receive the grant of the License and to conclude the transaction described herein, (ii) the License granted hereunder does not infringe upon or violate the rights of any third parties, to the best of Licensee's knowledge, and (iii) Licensee has no agreements with any third party or any commitments or obligations which conflict in any way with its obligations under this Agreement.

ARTICLE VII INDEMNIFICATION; INSURANCE

7.1. **Indemnification of Licensor.** Licensee agrees to defend, indemnify and hold harmless Licensor and its officers, directors, employees, shareholders, members, managers, agents and representatives from, in respect of, and against any and all claims, losses and liabilities (including, without limitation, reasonable attorney's fees and disbursements), judgments, damages, demands, lawsuits or similar actions or proceedings brought against or otherwise negatively impacting Licensor (each, a "*Licensor Claim*") arising out of (i) the breach of any of Licensee's representations, warranties or covenants hereunder, (ii) Licensee's negligent use of the Licensed IP, Packaging or Substrate in a manner not contemplated herein or otherwise expressly prohibited hereby, or (iii) Licensee's gross negligence or willful misconduct. Licensor agrees to notify Licensee, within a reasonable time after it receives notice of any Licensor Claim, and Licensee shall promptly assume Licensor's defense thereof, through counsel of Licensor's choosing. Licensee shall have the right to participate in the defense of any Licensor Claim that includes

Licensee as a named party, using counsel of its choosing and at its expense. The settlement of any Licensor Claim must be approved in writing and in advance by Licensor.

7.2. **Indemnification of Licensee.** Licensor agrees to defend, indemnify and hold harmless Licensee and its officers, directors, employees, shareholders, members, managers, agents and representatives from, in respect of, and against any and all claims, losses and liabilities (including, without limitation, reasonable attorney's fees and disbursements), judgments, damages, demands, lawsuits or similar actions or proceedings brought against or otherwise negatively impacting Licensee (each, a "*Licensee Claim*") arising out of (i) the breach of any of Licensor's representations, warranties or covenants hereunder, (ii) Licensor's grossly negligent use of the *[Redacted: confidential product information]*, in a manner not contemplated herein or otherwise expressly prohibited hereby, (iv) any claim or allegation of any third party of intellectual property infringement, product defect, mislabeling,, any design defects and use of Licensed IP or Packaging as specified in this Agreement. Licensee agrees to notify Licensor, within a reasonable time after it receives notice of any Licensee Claim, and Licensor shall promptly assume Licensee's defense thereof, through counsel of Licensee's choosing. Licensor shall have the right to participate in the defense of any Licensee Claim that includes Licensor as a named party, using counsel of its choosing and at its expense. The settlement of any Licensee Claim must be approved in writing and in advance by Licensee.

ARTICLE VIII DISCLAIMER; LIMITATION OF LIABILITY

8.1. **Disclaimers.** THE LICENSED IP AND RELATED CONFIDENTIAL INFORMATION ARE PROVIDED "AS IS." EXCEPT FOR LICENSOR COVENANTS, REPRESENTATIONS AND WARRANTIES CONTAINED HEREIN, , ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, ARE HEREBY DISCLAIMED BY LICENSOR, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY. THE *[REDACTED: CONFIDENTIAL PRODUCT INFORMATION]* AND RELATED CONFIDENTIAL INFORMATION ARE PROVIDED "AS IS." EXCEPT FOR LICENSEE COVENANTS, REPRESENTATIONS AND WARRANTIES CONTAINED HEREIN, ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, ARE HEREBY DISCLAIMED BY LICENSEE.

8.2. **Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY (INCLUDING EACH OF ITS AFFILIATES, SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, MANAGERS, OWNERS, LICENSEES, CUSTOMERS AND AGENTS) BE LIABLE TO THE OTHER FOR THE PAYMENT OF ANY CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, OR LOST PROFITS, BUSINESS OR REVENUE, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED, HOWEVER, THAT THIS SECTION 8.2 DOES NOT LIMIT EITHER PARTY'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER ARTICLE VII HEREOF AND DOES NOT APPLY TO ANY BREACH OF SECTION 3.1, SECTION 4.3, ARTICLE V OR SECTION 6.1.

**ARTICLE IX
ASSIGNMENT; RELATIONSHIP OF PARTIES**

9.1. **Limitation on Assignment.** Neither Party may assign any right or obligation under this Agreement, other than the right to receive money, to any person, or entity, other than its parent or subsidiary companies, without the express written consent of the other Party.

9.2. **Party Relationship.** Nothing herein shall be construed to create a relationship between Licensee and Licensor in the nature of partnership, profit-sharing, company, joint venture, principal/agent, employment or any other relationship that might impose liability on either Party for the other Party's past, present or future debts, liabilities, obligations, acts or omissions.

**ARTICLE X
MISCELLANEOUS**

10.1. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada applicable to contracts to be performed entirely within such state.

10.2. **Bankruptcy.** Each Party shall have the right, on five (5) days written notice to the other, to terminate this Agreement in the event of any of the following: (i) the other Party files a petition in bankruptcy, or is adjudicated bankrupt, (ii) a petition in bankruptcy is filed against the other Party and is not dismissed within sixty (60) days thereof, (iii) the other Party becomes insolvent, (iv) the other Party makes an assignment for the benefit of creditors, or files a petition or other relief under or pursuant to any federal or state bankruptcy, insolvency, or reorganization statute or procedure, or (v) a custodian, receiver or trustee is appointed for the other Party in any bankruptcy or related proceeding, and such receivership is not discharged within sixty (60) days thereafter.

10.3. **Entire Agreement.** This Agreement is the final integration of the agreement between the Parties with respect to the matters covered by it and supersedes any prior understandings or agreements, oral or written, with respect thereto.

10.4. **Modification, Waiver.** This Agreement may not be modified or supplemented except by written instrument signed by the Parties. No action or failure to act by either Party shall be deemed to be a waiver unless such waiver is expressly set forth in writing. No waiver of any default or breach of any agreement or provision herein contained shall be deemed a waiver of any other default or breach thereof or of any other agreement or provision herein contained.

10.5. **Severability.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason: (i) such invalidity or unenforceability shall not affect any other provision of this Agreement, (ii) the remaining terms, covenants and conditions hereof shall remain in full force and effect and (iii) any court of competent jurisdiction may so modify the objectionable provision as to make it valid and enforceable.

10.6. **Headings.** Headings of articles, sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

10.7. **External Circumstances.** No Party shall be considered in default or be liable to the other Party for any delay in performance or non-performance (except with respect to an obligation to pay money) caused by circumstances beyond the reasonable control of such Party, including but not limited to acts of God, explosion, fire, flood, war (whether or not declared), accident, labor strike or labor disturbances, terrorist activities, sabotage, orders or decrees of any court, or actions of any government authority.

10.8. **Counterparts.** This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument. A facsimile or other electronic copy of a signature on this Agreement shall be acceptable as and deemed to be an original signature.

10.9. **Surviving Obligations.** All obligations under this Agreement that are continuing in nature shall survive the termination or conclusion of this Agreement.

10.10. **Rules of Construction.** The Parties have had the opportunity to retain independent legal and financial counsel with respect to the negotiation of this Agreement. They have independently, separately, and freely negotiated each and every provision of this Agreement as if all Parties drafted it, and therefore, waive any statutory or common-law presumption that would serve to have this document construed in favor of, or against, any Party.

10.11. **Mediation and Arbitration.** If any dispute, claim or controversy arises out of or relates to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, and if such dispute cannot be settled through negotiation, the Parties agree first to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association before arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, that cannot be resolved by mediation within thirty (30) days may be finally resolved by arbitration under the Rules of the American Arbitration Association and take place in Las Vegas, Nevada if initiated by the Licensor, and in Denver, Colorado if initiated by the Licensee. This mediation and arbitration provision shall not limit a Party from seeking a court from granting a temporary restraining order, preliminary injunction or other injunctive relief with respect to an alleged breach or violation of any covenant or agreement contained in Section 3.1 or Article V of this Agreement.

10.12. **Notice.** All notices, demands and other communications to be sent by one Party to the other under this Agreement shall be in writing and shall be deemed to have been validly made, given, served and received if given or served by delivery in person to the addressee, or if sent by facsimile during normal business hours with delivery verification, or three (3) days after deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed as follows:

If to Licensor:	<i>[Redacted: confidential Licensor information]</i>
If to Licensee:	<i>[Redacted: confidential Licensee information]</i>

10.13. **Specific Performance.** Licensee acknowledges that irreparable injury to Licensor may result if Licensee breaches any covenant or agreement contained in Section 2.2 or Section 3.1 of this Agreement, and each Party acknowledges that irreparable injury to the other Party may result from a breach of any covenant or agreement contained in Article V of this Agreement, and that the remedy at law for the breach of any such covenant or agreement will be inadequate. Therefore, if either Party engages in any act in violation of any such covenant or agreement, such Party agrees that the other Party shall be entitled, in addition to such other remedies and damages as may be available by law or under this Agreement, to injunctive relief to enforce any such covenant or agreement, provided such relief does not violate any Applicable Law or jeopardize the continued renewal of any marijuana business license of Licensee.

IN WITNESS WHEREOF, the Licensor and Licensee have executed this Agreement effective as of the date first above written.

* * * * *

[SIGNATURE PAGE TO INTELLECTUAL PROPERTY LICENSE AGREEMENT]

LICENSEE:

[Redacted: name of Licensee]

By: *[Redacted: signature]*
Name: *[Redacted: personal information]*
Title: *[Redacted: personal information]*

LICENSOR:

[Redacted: name of Licensor]

By: *[Redacted: signature]*
Name: *[Redacted: personal information]*
Title: *[Redacted: personal information]*

EXHIBIT A

Initial Packaging and Substrate Fees and Thresholds

Packaging & Substrate Type

Fee (per Single Unit)

[Redacted: confidential product information]

[Redacted: price]

- *[Redacted: confidential product information]*
- *[Redacted: confidential product information]*

Notes:

- 1- A Single Unit (recreational) is comprised of *[Redacted: confidential product information]*
- 2- Payment Terms
 - a. *[Redacted: confidential payment information]*
 - b. *[Redacted: confidential payment information]*
- 3- Minimum Thresholds
 - a. *[Redacted: confidential payment information]*
 - b. *[Redacted: confidential payment information]*
 - c. *[Redacted: confidential payment information]*
 - d. *[Redacted: confidential payment information]*
- 4- Amendments to this Exhibit A
 - a. If the parties desire to add products to this agreement, they shall work in good faith to make any changes to this Exhibit A, including but not limited to all terms relating to additional Licensed Products under this Agreement.