## **PRAVADA®**

## TERMS AND CONDITIONS OF SALE

These Terms and Conditions of Sale shall apply to every sale or supply by Pravada, LLC or any of its related parties or affiliates ("Pravada", "we" or "us") pursuant to an order or production sheet (an "Order") from you ("you" or the "Buyer") which is accepted by Pravada prior to a replacement or amendment hereof being posted on Pravada's website, and such replacement or amendment shall apply to all such Orders accepted from and after the date of such posting, and so on.

No alteration, amendment, variation or supplement to the terms hereof shall have any effect unless expressly acknowledged and agreed to by Pravada in writing. If there is any inconsistency between the terms of an Order and these Terms and Conditions, then the terms of the Order shall apply, but only to such Order and the product and services supplied thereunder and only to the extent such Order was accepted by Pravada.

## FOR VALUE RECEIVED, PRAVADA AND THE BUYER AGREE AS FOLLOWS IN RESPECT OF EACH ORDER ACCEPTED BY PRAVADA:

- 1. Purchase and Sale: The Buyer agrees to purchase from Pravada, and Pravada agrees to sell and supply to the Buyer, the goods and services specified in such Order (together, the "Product"), on the terms and conditions specified herein.
- 2. Purchase Price, Taxes, Shipping, etc. Costs: The purchase price and fees and other charges (the "Purchase Price") for the Product shall be as specified in the Order. In addition, the Buyer shall be solely responsible for and shall pay, or reimburse Pravada for, as the case may be, all applicable sales, use, value-added, excise and all other taxes, duties and other charges, and all shipping, insurance and storage costs in respect of the Product, regardless of who arranges and pays for same.
- 3. Payment: The Buyer shall pay to the Seller the Purchase Price and the other amounts specified in Section 2 above in U.S. Dollars by way of Visa, MasterCard, American Express or other method acceptable to Pravada in its sole discretion as follows:
  - i. 50% of the sum of the Purchase Price (based upon the entire quantity specified in the Order) immediately upon Pravada's acceptance of the Order, as and by way of a non-refundable deposit (the "Deposit"); and,
  - ii. the balance thereof upon Pravada's notifying the Buyer that Product is ready to be shipped (based upon the quantity ready for shipping).
- 4. <u>Interest</u>: Interest shall be charged on all amounts owing hereunder which are not received by Pravada when due until such amounts are paid at the rate equal to the lesser of 18% per annum (calculated and payable daily) and the maximum permitted by applicable law.
- 5. Orders: Once an Order is accepted by Pravada it is final and binding on the Buyer and the Buyer shall not be able to make any changes thereto without Pravada's written agreement, which shall be at the sole discretion of Pravada. Buyer shall be responsible for, and shall forthwith reimburse Pravada for, all costs incurred by Pravada as a result of, or in connection with any Order changes requested by the Buyer.
- 6. <u>Delivery and Shipping</u>: Pravada will use commercially reasonable efforts to deliver the Product within 4 to 6 weeks of confirmation of receipt of the Deposit, or such later date as may be specified in the Order, subject to any delays resulting from or in connection with:
  - i. unavailability of any raw materials or packaging, or any delays in the delivery thereof to Pravada;
  - ii. non-delivery or delayed delivery to Pravada of any Buyer Supplies (defined below);
  - iii. any Buyer requests for Order changes;
  - iv. any other event or matter reasonably beyond Pravada's control which affects Pravada's ability to complete the Order in a timely manner.

Delivery ("Delivery") shall be "FOB origin" and, unless the Order otherwise specifies, shall be deemed to have occurred upon the courier or other shipper acquiring possession of the Product at the applicable shipping dock of Pravada (located in Naples, Florida or Mississauga, Ontario, as the case may be) (the "Shipping Point"). Upon Delivery the Product shall be at the Buyer's sole risk.

- 7. <u>Insurance</u>: Unless an Order otherwise expressly provides, Pravada shall be entitle to, but shall have no obligation to, arrange for insurance in connection with the shipping of the Product, at the Buyer's sole cost.
- 8. <u>Product Specifications</u>: Pravada shall deliver Products that upon Delivery (as defined above) shall meet the following criteria, subject to any Product Variations that may occur:
  - a. the Pravada-supplied Products shall comply in all material respects to the Product specifications set out in the Order, subject to any Product Variations that may occur;
  - b. (i) in respect of Pravada-supplied Products, Delivery of which occurs in the United States, the Products shall meet or exceed in all material respects the applicable standards imposed by the U.S. Food and Drug Administration in force at the time of delivery, including the Federal Food, Drug and Cosmetics Act of 1997, and the regulations thereunder, and (ii) in respect of Pravada-supplied Products, Delivery of which occurs in Canada, the Products shall meet or exceed the requirements of Health Canada; and,
  - c. the Pravada-supplied products shall be free from material defects, subject to any Product Variations that may occur,

provided, however, that the foregoing shall not extend to, and Pravada shall have no responsibility or liability whatsoever in respect of: (i) Products incorporating, or packaged in, Buyer Supplies or (ii) any change to the Products which may occur following Delivery.

The foregoing constitutes Pravada's sole obligation with respect to the quality, quantity, nature, fitness for purpose and merchantability of the Product; except as otherwise provided in this Section 8, Except as contemplated above, Pravada expressly disclaims any warranty, express or implied in respect of the Product.

- 9. <u>Product Variations</u>: The Buyer acknowledges, agrees that:
  - i. In the event that Pravada determines that any ingredients, materials or packaging specified in, or required to complete, an Order are not readily available at commercially reasonable costs, Pravada shall be entitled to use ingredients, materials or packaging, as the case may be,

- which have reasonably similar properties and/or appearance in substitution therefor. Pravada shall use commercially reasonable efforts to notify the Buyer of such substitutions, but its failure to do so shall not affect its right to make such substitutions.
- ii. Due to variations when combining natural and other ingredients and with regard to natural ingredient manufacturing and processing, there shall be unavoidable variations in the Product's color, scent and viscosity from batch to batch, as the raw ingredients may vary from lot-to-lot.
- iii. Variations in volumes of up to (+/-) 5% are usual and acceptable in the manufacture and processing of Product.
- iv. Products packaged in containers that (i) are not of the type recommended by Pravada for such Products or (ii) are Buyer-supplied or sourced containers, may not work as intended,

(each of the foregoing, a "Product Variation"). The Buyer shall, and shall be deemed to, accept all Product Variations and, except as provided below, Product Variations shall not entitle the Buyer to refuse to accept any Products, cancel any Order, seek an abatement, set-off or seek any other recourse against Pravada, or otherwise affect the Buyer's obligations hereunder. In the event there are variations in volume, as contemplated in "c." above, there shall be a commensurate adjustment to the Purchase Price.

- 10. <u>Defects</u>: The Buyer shall inspect the Products immediately upon receipt thereof. In the event that the Buyer determines that the Product does not comply with Section 8 hereof, the Buyer shall forthwith provide details of such non-compliance ("Defects") to Pravada by notice in writing and in any event within 10 days of such receipt. In the event that Pravada accepts in its sole discretion that such Defects may exist, Pravda shall, at its sole option:
  - . replace such Product at its own expense; or
  - ii. refund to the Buyer the Purchase Price thereof, or offer a credit in the amount thereof against future Products.

Unless the Buyer delivers notice to Pravada in the manner and within the time prescribed above, the Products shall be deemed to satisfy the requirements of Section 8, be otherwise satisfactory in all respects and accepted by the Buyer, and the Buyer shall be deemed to have waived all rights under any applicable laws to assert any claims for, or in respect of, defective or non-conforming Products. The foregoing constitutes the Buyer's sole recourse for all present and future direct or in direct, absolute or contingent claims for, or in respect of, any defective Products. Without limiting the generality of the foregoing, the Buyer specifically waives any right to claim consequential damages or specific performance.

- 11. <u>Buyer-supplied materials</u>: The Buyer represents, warrants and covenants that in respect of all ingredients, materials, packaging, formulations, designs, logos, names and other goods, intangibles and property supplied, sourced or specified by the Buyer in connection with any Order or Product (other than for greater certainty Pravada supplied ingredients, materials or packaging) (collectively "Buyer Supplies"):
  - i. it shall be free from defect and suitable for the intended purpose;
  - ii. (i) in respect of Buyer Supplies delivered in the United States, it shall meet or exceed in all material respects the applicable standards imposed by the U.S. Food and Drug Administration in force at the time of delivery, including the Federal Food, Drug and Cosmetics Act of 1997, and the regulations thereunder and (ii) in respect of Buyer Supplies delivered in Canada, the Products shall meet or exceed the requirements of Health Canada;
  - iii. the Buyer has the right to make available and to use the Buyer Supplies in the manner contemplated in connection with the Order and/or Product, and such use shall not infringe upon any copyright, trademark, patent or other right, interest or claim, or breach any licence or other right in respect thereof.

The Buyer Supplies shall at all times be at the risk of the Buyer, and Pravada's sole obligation with respect thereto shall be to exercise the same degree of care as it exercises with respect to its own property. Unless the Order otherwise specifies, following the Delivery of an Order in respect of which the Buyer provided Buyer Supplies, Pravada shall be entitled to dispose of, use, sell or otherwise deal with any excess thereof as Pravada in its sole discretion sees fit.

- 12. Compliance with Laws: Except as expressly provided in Section 8 above, the Buyer shall be solely responsible at its own cost for ensuring, and shall ensure, that all aspects of the Products, including without limitation the formulations, packaging, labelling, storage, distribution, importation and exportation, sale and resale thereof shall comply at all times with all applicable local and foreign laws, regulations and rules.
- 13. Intellectual Property: The Buyer acknowledges and agrees that all trademarks, designs, logos, symbols, trade names, trade secrets, copyrights, specifications, formulas (including the ingredients, their relative concentrations and techniques for mixing and conditioning) and other intellectual property rights relating to Pravada and the Product, including without limitation the Product's composition, formulation (including any custom formulations), chemical composition and all methods and instructions for the formulation, processing and production and all intellectual property, processes, know-how, trade secrets and other proprietary information therein are the sole and exclusive property of Pravada (collectively "Pravada Intellectual Property").

Pravada hereby grants to the Buyer a limited non-exclusive license to use the Product-specific trademarks comprising Pravada Intellectual Property solely in connection with the use, distribution and sale of such Pravada – supplied Products. The Buyer shall not use any Pravada Intellectual Property for any purpose except as specified above.

The Buyer shall not take, cause or permit action to damage, compromise or challenge any Pravada Intellectual Property, or Pravada's rights or interests therein, in any jurisdiction. Without limiting the generality of the foregoing the Buyer agrees neither to register, nor to assist in registering, any Pravada Intellectual Property or any licenses or rights therein, or other rights or other marks or rights which may be confusingly similar to any Pravada Intellectual Property, anywhere worldwide. Unless specifically granted in writing by Pravada, the Buyer disclaims any right to use or claim ownership of any Pravada Intellectual Property.

The Buyer shall not attempt to reverse engineer or duplicate the combination of ingredients, as well as techniques for mixing and conditioning those ingredients of any of Pravada's stock cosmetic bases or Products.

- 14. Confidentiality: The Buyer shall protect, and shall not provide, disclose, nor otherwise make available to any third party in any form:
  - i. any information comprising or relating to Pravada Intellectual Property; or

ii. any information regarding the terms of any Order (including without limitation the Purchase Price, delivery terms or quantities provided for therein) or this Agreement,

(together, the "Confidential Information")

The Buyer agrees to use at least the same care and precaution in protecting the Confidential Information as it uses to protect its own confidential and proprietary information and trade secrets, and in no event less than reasonable care. The Buyer shall return all Confidential Information, and permanently delete and destroy all copies thereof promptly upon Pravada's request.

- 15. Buyer Defaults: In the event that the Buyer is in default of any of its obligations to Pravada, however incurred, whether under or in connection with any particular Order, this Agreement or any other agreement, or otherwise, then, in addition to resorting any legal and equitable remedies that Pravada may have, Pravada shall be entitled, without notice to the Buyer, to:
  - i. retain any Deposit and any other amounts received from the Buyer as liquidated damages, and not as a penalty;
  - ii. refuse to deliver Product or complete any Order; retain, liquidate or dispose of any Buyer Supplies in Pravada's possession or control, at the sole cost of the Buyer, in such manner and for such proceeds (if any) as Pravada in its sole discretion sees fit, and Buyer shall have no claim against Pravada in respect thereof;
  - iii. refuse to accept delivery of Buyer- supplied or sourced materials; and
  - iv. take such further steps and actions as Pravada may in its sole discretion sees fit.

For greater certainty, Pravada shall have no obligation to be commercially reasonable or to exercise any other particular standard of care or take any particular steps in exercising it rights hereunder and Pravada shall have no liability to the Buyer for failing to obtain a reasonable amount or any amount in disposing of or otherwise dealing with any Buyer Supplies. The Buyer shall be liable for, and shall forthwith pay to Pravada on demand all costs (including reasonable attorney fees) incurred by Pravada in enforcing its rights hereunder.

- 16. <u>Limitation of Remedies</u>: The Buyer's sole recourse for any present and future direct or in direct, absolute or contingent claims against Pravada, its principals, officers, directors, agents representatives and employees, including contract claims, tort claims, breach of duty claims and all other common law, statutory or equitable claims, relating to, based upon or arising out of this Agreement, any Order or any Products are set out in Section 10 hereof and in any event no claim of any kind shall exceed the Purchase Price of the Product to which it relates.
- 17. <u>Buyer Indemnity</u>: Buyer assumes complete responsibility for, and agrees to defend, indemnify and hold Seller, its principals, officers, directors, agents, representatives and employees harmless from all claims, demands, actions liability and causes of action, including reasonable attorneys' fee and actual costs incurred as a result thereof, on account of injury to any person or any property damage, arising out of:
- a. any the failure or refusal of the Buyer to performs its obligations hereunder or otherwise comply with the terms hereof, including without limitation Section 12 hereof.
- b. the use, distribution, sale, handling, transportation, storage, possession, processing, further manufacture of the Products following Delivery, whether by or on behalf of the Buyer or otherwise, whether or not said Products are handled, stored or used singly or in conjunction with other products.
- 18. Notice: Any notice or other communication required or permitted to be given hereunder in respect of this Agreement shall be in writing and shall be delivered in person, transmitted by facsimile or other means of recorded electronic communication or sent by courier, charges prepaid to the addresses set out in the most recent Order accepted by Pravada. Any such notice so sent shall be deemed to have been well and sufficiently given, made or received, as the case may be, on the date of such personal service, delivery or facsimile transmission. Either party to this Agreement may change its address for the purposes of this Section by giving notice of such change in accordance with the provisions of this Section.
- 19. Governing Law, Attornment and Waiver:
- a. In respect of Orders, the Shipping Point of which is in Canada, this Agreement shall be governed by, and construed in accordance with the laws of the Province of Ontario and the Federal Laws of Canada applicable therein and the parties hereby irrevocably attorn to the non-exclusive jurisdiction of the Courts of competent jurisdiction in the Province of Ontario.
- b. In respect of Orders, the Shipping Point of which is outside Canada, this Agreement shall be governed by, and construed in accordance with the laws of the State of Florida and the parties hereby irrevocably attorn to the non-exclusive jurisdiction of the Courts of competent jurisdiction in the State of Florida.

The parties hereby waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any of the transactions contemplated herein, including contract claims, tort claims, breach of duty claims and all other common law, statutory or equitable claims.