



PRIVATE LABEL AGREEMENT

This Private Label Agreement, is made this _____ day of _____ 2019 by and between Advanced Extraction LLC (AE), a company organized under the laws of the State of Colorado, with its principle place of business at 18072 County Rd 4, Brighton, CO 80603 and Customer Name ("Customer") located at the address indicated on the signature page attached.

RECITALS

Customer wishes to purchase finished products from Advanced Extraction LLC and have the bottles affixed with their own label artwork for sale by Customer ("Products") under Customer's own brand name.

NOW THEREFORE, in consideration of the premises, and the covenants and promises of the parties set forth herein, and other good and valuable consideration, the parties intending to be legally bound, it is agreed as follows:

1. MANUFACTURING. Subject to the terms and conditions of this Agreement, AE will manufacture and package Products with Customer label under this Agreement, at the prices and upon the terms and conditions set forth in the sales orders between AE and Customer. Leadtime will vary anywhere between 4 to 6 weeks, unless otherwise agreed upon by both parties. Custom order leadtimes may be longer and will depend upon availability of customer ingredients or packaging components.

2. ARTWORK LABEL / PRINTED PACKAGING

2.1 AE agrees to support Customer in the creation of their artwork label and to print the approved artwork labels if requested. AE will send Customer a template of label artwork for Customer to create a preliminary artwork label file. AE will review artwork and advise Customer of labeling requirements to the best of its knowledge. The final label and its artwork must be approved by Customer. Customer agrees to sign a label release prior to AE printing Client's labels. AE assumes no responsibility for the final regulatory or legal compliance of Customer labels.

3. REPRESENTATIONS AND WARRANTIES.

a. By Company. AE represents and warrants that all Products:

- i) Conform to Company's most current written specifications for such Products;
- ii) Are fit for human consumption and / or use;
- iii) Contain, to the best of AE's knowledge, accurate and reliable allergen information.
- iv) Are, to the best of AE's knowledge, free from infringement of all copyrights, trademarks, patents and other intellectual property rights; and



- v) Are manufactured and distributed in compliance with AE's good manufacturing practices ("GMPs").
- b. By Customer. Customer represents, warrants and agrees that:
 - i) It is solely responsible for the text and claims on any artwork, labels or printed packaging components that AE produces and/or affixes on behalf of the Customer ("Customer Labels"), to Products purchased hereunder;
 - ii) AE (e.g., "Manufactured by Advanced Extraction") will NOT appear anywhere on Customer Labels, whether or not affixed by Company, without Company's written approval;
 - iii) All Customer logos and design elements are, to the best of Customer's knowledge, free from infringement of all copyrights, trademarks, patents and other intellectual property rights;
 - iv) It will comply with shelf life restrictions, best by dates, refrigeration/storage and other like requirements as noted in and on Company's current Label template;
 - v) No changes of or over-labeling on the Customer Labels affixed by AE or by Company or on any packaging, bottles or other containers containing the Products, will be made without AE's written approval;
 - vi) To the extent Customer makes any claim, representation or warranty with respect to any Products beyond the scope of this Agreement, such change, claim, representation or warranty by Customer shall be void and, if held valid, shall be the sole responsibility of Customer;
 - vii) Assumes full responsibility and all risks associated with the marketing, Distribution, and sale of ordered Products or Product as is.

4. "AS IS" WARRANTY.

4.1. EXCEPT AS EXPRESSLY PROVIDED IN SECTION 1 ABOVE, ALL PRODUCTS ARE PROVIDED "AS IS", AND AE HEREBY DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS PROVIDED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR USE (INCLUDING BUT NOT LIMITED TO ANY WARRANTY THAT ANY PRODUCT WILL BE EFFECTIVE FOR ANY USE OR PURPOSE), FREEDOM FROM INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, OR ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.

5. LIMITATION OF LIABILITY.

5.1 EXCEPT AS PROVIDED IN SECTION 10.2 BELOW, IN NO EVENT WILL AE'S LIABILITY OF ANY KIND WITH RESPECT TO THE REFORMULATED PRODUCTS, OR OTHERWISE ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDE ANY

SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.



5.2 AE WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY DELAY IN FURNISHING REFORMULATED PRODUCTS, OTHER THAN ANY SUCH LOSS OR DAMAGE RESULTING FROM GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AE.

5.3 EXCEPT AS PROVIDED IN SECTION 10.2 BELOW, IN NO EVENT SHALL AE'S LIABILITY OF ANY KIND EXCEED THE AMOUNT REMITTED TO AE UNDER THIS AGREEMENT AS OF THE DATE SUCH LIABILITY ACCRUES.

6. INDEMNIFICATION.

6.1 Customer will indemnify, defend and hold harmless AE, its officers, directors, employees and contractors from all loss, cost and expense (including but not limited to reasonable attorney fees) arising from or related to claims of (i) except with respect to the subject of AE's indemnification in Section 6.2 below, liability, including but not limited to product liability with respect to the Products, (ii) infringement or misappropriation of intellectual property right with respect to the Products, packaging and labeling requirements, including but not limited to the use of trademarks designated by Customer, and (iii) acts taken or omissions made at Customer's direction.

6.2 AE shall indemnify Customer for all costs resulting from any product liability claim against Customer by a party that Customer has directly provided with any Product, provided that any such Product was not contaminated, improperly stored, altered or misbranded by Customer. Except with respect to acts taken or omissions made at Customer's direction, AE will indemnify, defend and hold harmless Customer, its officers, directors, employees and contractors from all loss, cost and expense (including but not limited to reasonable attorney fees) for AE negligence in the fulfillment of AE's obligations under this Agreement. Upon request, AE will provide Customer with a Certificate of Liability Insurance evidencing its product liability insurance coverage.

7. CONFIDENTIALITY.

7.1 A party receiving Confidential Information will restrict the use of the Confidential Information to those purposes necessary for the performance of the receiving party's obligations under this Agreement, and, during the term of this Agreement and thereafter, will safeguard against disclosure of the Confidential Information to third parties using the same degree of care to prevent disclosure as it uses to protect its own information of like importance, but at least reasonable care. A party may make only the minimum number of copies of any Confidential Information required to carry out the purpose of this Agreement. All proprietary and copyright notices in the original must be affixed to copies or partial copies. Each party must provide the other with notice of any governmental, judicial or administrative order or proceeding to compel the disclosure of Confidential Information received under this Agreement, as promptly as the circumstances of such order or proceeding reasonably permit.

7.2 Neither party will be obligated to maintain any information in confidence or refrain from use if (i) the information was in the receiving party's possession or was known to it prior to its receipt from the disclosing party without obligation of nondisclosure, (ii) the information is independently developed by the receiving party without the utilization of Confidential Information



of the disclosing party, or (iii) the information is or becomes public knowledge without fault of the receiving party.

8. INTELLECTUAL PROPERTY

8.1 Customer hereby grants to AE a non-exclusive license to use the Customer trade names and/or trademarks specified by Customer in writing from time to time during the term of this Agreement, solely for the purpose of labeling and packaging the Products as directed by Customer.

8.2 Except as expressly provided in this Agreement, neither party has, or will acquire, any interest in any of the other party's products, technology or intellectual property rights as a result of this Agreement or the performance of any obligations hereunder, including but not limited to any trademark, trade name or service of the other party. AE will retain all right, title and interest in all technology and intellectual property rights arising out of or related to the services provided by AE under this Agreement.

8.3 Customer will not use AE names/trademarks to market their products without prior written permission.

8.4 AE will not be liable for label compliance and/or marketing claims of the Products. Label compliance and legality of marketing claims, as well as all associated liability, will be the responsibility of Customer.

9. NONSOLICITATION. During the term of this Agreement and for a period of 2 (two) years thereafter, neither party will (i) knowingly solicit for employment any employee of the other party, or (ii) induce any customer, distributor, sales representative or other party to change its relationship with the other party.

10. ENDORSEMENTS. Neither party or its employees, distributors, sales representatives or other business partners will express or imply that their products or business in general have been endorsed or are promoted in any way by the other party or the other party's employees, officers, directors or Affiliates. Nor can any promotional materials, marketing materials, marketing personnel or field representative refer to or reference the other party's products.

11. TERM AND TERMINATION

11.1 This Agreement will take effect as of the date first above written and, unless earlier terminated as provided in this Section 11, and will continue in effect for as long as Customer applies with all its material terms and conditions (and any amendments), unless terminated in accordance with section 11.2

11.2 Either party may terminate this Agreement by giving notice in writing to the other party should an event of Force Majeure, which extends to the performance by one of the parties hereto of all, or substantially all of such party's obligations hereunder, continue for more than six (6) months as provided in Section 12 below.



11.3 Either party shall have the right to terminate this Agreement, with or without cause, upon 30 days' written notice to the other party. Customer agrees that upon any such termination by either party and for any reason whatsoever, Customer will purchase all remaining private label inventory (i.e., labeled Products, labels and promotional materials) from Company at Customer's cost.

11.4 Upon the termination or expiration of this Agreement for any reason (i) each party will promptly return or destroy all copies of the other party's Confidential Information. The provisions of Sections 6, 7, 8, 9, 13, hereof will survive termination of this Agreement in accordance with their terms.

12. FORCE MAJEURE.

12.1 Upon giving notice to the other party, a party affected by an event of Force Majeure will be released without any liability on its part from the performance of its obligations hereunder, except for the obligation to pay any amounts then due and owing, to the extent its performance is prevented by the event of Force Majeure. During the period that the performance by one of the parties of its obligations hereunder has been suspended by reason of an event of Force Majeure, the other party may likewise suspend the performance of all or part of its obligations hereunder to the extent that such suspension is commercially reasonable.

12.2 Should any event of Force Majeure that affects the performance by one or both of the parties hereto under the whole or substantially the whole of this Agreement extend for more than six (6) consecutive months, either party may terminate this Agreement without liability to the other party, except for payments due to such date, upon giving written notice to the other party.

13. ADDITIONALLY INSURED:

13.1. Each Party's commercial general liability, products liability, and clinical trials liability insurance policy (if any) shall name the other Party and its Affiliates as an additional insured and provide that the other Party shall receive at least 30 days' notice of any cancellation, modification or expiration of such policy. Each Party shall provide a fully paid certificate of insurance naming the other Party as an additional named insured promptly after the Effective Date. Each Party shall provide the other with prompt written notice of any actual or threatened cancellation, modification or expiration of such policy of which it becomes aware. If a Party terminates its commercial general liability, products liability or clinical trials insurance policies during the term of this Agreement, or any of the referenced policies are claims-made, that Party shall obtain and maintain the maximum available extended discovery period (i.e., "tail coverage") insurance, but not less than 3 years for non-topical products.

14. GENERAL.

14.1 This Agreement does not make either party the employee, agent or legal representative of the other for any purpose whatsoever. Neither party is granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of the other party. In fulfilling its obligations pursuant to this Agreement each party will be acting as an independent contractor.



14.2 Neither party will have the right to assign or otherwise transfer its rights and obligations under this Agreement except with the prior written consent of the other party; provided, however, that a successor in interest by merger, by operation of law, assignment, purchase or otherwise of the entire business of either party will acquire all interest of that party hereunder. Any prohibited assignment will be null and void.

14.3 This Agreement, including the Exhibits hereto, constitutes the entire and fully integrated agreement of the parties with respect to the subject matter of this Agreement, and supersedes all previous agreement and understanding between the parties related thereto.

14.4 This Agreement will not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by written amendment signed by the parties hereto.

14.5 This Agreement will be governed by, and interpreted and construed in accordance with, the laws of the State of Colorado and an applicable court in Colorado shall hold jurisdiction.

14.6 If any of the terms of this Agreement are invalid or unenforceable under the laws or regulations of any government or subdivision thereof, those terms will be deemed stricken from this Agreement, but that invalidity or unenforceability will not invalidate any of the other terms of this Agreement and this agreement will continue in force, unless the invalid or unenforceable provisions are an integral part of, or are otherwise inseparable from, the remainder of this Agreement.

14.7 This Agreement will be executed in two or more counterparts, and each such counterpart will be deemed an original hereof.

14.8 No failure by either party to take any action or assert any right hereunder will be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

IN WITNESS WHEREOF, the parties have caused execution of this agreement as of the date first written above.

ADVANCED EXTRACTION, LLC

CUSTOMER

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____



Address _____

Address _____

City, State, Zip _____