

## AGREEMENT

This Agreement (the "Agreement") is made and effective as of the Effective Date defined below between:

**BEE VECTORING TECHNOLOGY INC.**, having a place of business at #7-4160 Sladeview Crescent, Mississauga, Ontario, Canada, L5L 0A1 ("**BVT**"),

- and -

**CBC (EUROPE) S.R.L. - BIOGARD DIVISION**, having a place of business at Via Zanica, 25 – 24050 Grassobbio (BG), Italy ("**CBC**")

(and each individually referred to herein as a "Party", or collectively as the "Parties", as context may require).

### **Whereas:**

- A. BVT wishes to obtain regulatory approval in the Territories defined below for use of the Composition defined below for the Intended Purpose defined below (the "Regulatory Objective");
- B. BVT further wishes to commercialize the Composition in the Territories for the Intended Purpose (the "Commercial Objective", and collectively with the Regulatory Objective, the "Objectives");
- C. The Composition includes the Active Substance defined below;
- D. CBC is a manufacturer of the Active Substance and has the capabilities to manufacture and supply the Active Substance for the benefit of BVT;
- E. CBC confirms that Schedule B lists all the worldwide jurisdictions in which the Active Substance has been approved or is pending approval under the relevant regulatory frameworks identified in Schedule B for the Intended Purpose, and is complete and accurate as of the Effective Date;
- F. CBC is willing and able to cooperate with and support BVT in pursuit of the Objectives.

**NOW THEREFORE**, in consideration of the promises and the mutual covenants contained herein, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each Party), the Parties hereby covenant and agree as follows:

### **1. Definitions**

- (a) "**Active Substance**" means Beauveria bassiana strain ATCC 74040 technical powder as specified in the Technical Data Sheet in Schedule A;
- (b) "**Affiliate**" means any entity Controlling, or Controlled by, a Party;

- (c) **“Agreement”** means the present agreement and all present and future incorporated schedules, attachments, appendices, addenda, and written amendments;
- (d) **“Commercial Objective”** has the meaning ascribed to it in section B of the Preamble of this Agreement;
- (e) **“Composition”** means the formulation suitable for the Intended Purpose and that includes the Active Substance and additives as may be specified by BVT;
- (f) **“Control”** means: (a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person at the relevant time of shares of that corporation carrying the greater of (i) a majority of the voting rights ordinarily exercisable at meetings of shareholders of that corporation, and (ii) the percentage of voting rights ordinarily exercisable at meetings of shareholders of that corporation that are sufficient to elect a majority of the directors; (b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, the beneficial ownership by that Person at the relevant time of more than 50% of the ownership interests of the partnership, limited partnership, trust or joint venture or the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; (c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and the words “Controlled by”, “Controlling” and similar words have corresponding meanings;
- (g) **“Effective Date”** is the date on which this Agreement is signed by both Parties, or the date on which the Agreement is last signed by a party if signed on different dates;
- (h) **“Intellectual Property”** means any invention, patent application, patent, trade secret, know-how, trademark, trade name, brand name, copyright, design patent, industrial design, or any corresponding right, whether registered or not;
- (i) **“Intended Purpose”** means the treatment of crops through the bee vectoring system in the Territories.
- (j) **“Objectives”** has the meaning ascribed to it in section B of the Preamble of this Agreement;
- (k) **“Regulatory Objective”** has the meaning ascribed to it in section A of the Preamble of this Agreement;
- (l) **“Term”** means one or more of the Initial Term and Renewal Term as defined in section 7 of the Agreement; and
- (m) **“Territories”** means the European Union and Switzerland. The ‘Territories’ may be expanded to include additional countries or jurisdictions, in the event that BVT chooses to pursue the Objectives in such additional countries or jurisdictions, and CBC obtains regulatory approval for the Active Substance in the additional countries or jurisdictions. The Parties agree that details concerning the expansion of the Territories shall be negotiated upon request by either party, and the Parties agree to conduct such negotiations in good faith

## **2 SERVICE AND SUPPLY**

2.1 CBC will make best effort to cooperate with and support BVT in its effort to achieve the Regulatory Objective. This cooperation and support shall include:

- (a) providing a Letter of Access with respect to the Active Substance registration required for BVT's application for regulatory approval of the Composition in the Territories; this includes any re-filing of the Letter of Access as may be necessary with respect to, for example, timing of submissions by BVT with regard to the Composition that may otherwise be spaced too far apart from the date of the Letter of Access;
- (b) in the event that the relevant regulatory authority requests additional documentation or information relating to the Active Substance and/or the Composition and CBC is in a position to provide the additional information, then CBC agrees that it will do so by submitting such information directly to the relevant regulatory authority.

2.2 From time to time, CBC will supply the Active Substance to BVT in quantities ordered by BVT through purchase orders or as otherwise agreed to in writing by the Parties.

2.3 CBC warrants that the Active Substance supplied to BVT pursuant to this Agreement will comply with the technical data sheet in Schedule A and will be fit for the general purposes for which the Active Substance is ordinarily used.

## **3 COMPENSATION**

3.1 For the services pursuant to section 2.1(a), BVT will pay CBC **[redacted commercially sensitive pricing details]**.

3.2 For the services pursuant to section 2.1(b), BVT will pay CBC reasonable fees agreed to by the Parties at a later time depending on the services required.

3.3 For the supply pursuant to section 2.2, the price per kilogram of the Active Substance will be:

- (a) **[redacted commercially sensitive pricing details]**; and
- (b) **[redacted commercially sensitive pricing details]**.

## **4 MINIMUM SUPPLY AND PURCHASE OBLIGATIONS**

4.1 CBC guarantees that it will make available to BVT a minimum supply amount of **[redacted commercially sensitive supply amounts and timing]**.

4.2 In the case that CBC is unable to fulfil an order within 60 days as required by section 4.1, then BVT will have the right to **[redacted commercially sensitive penalty]**.

4.3 Prior to achievement of the Regulatory Objective, BVT will have no obligation to purchase any minimum amount of the Active Substance from CBC.

4.4 In the calendar year beginning after achievement of the Regulatory Objective and in the next calendar year thereafter, BVT will have the obligation to purchase a minimum amount of **[redacted commercially sensitive minimum amounts of purchase]**.

## **5 PAYMENT TERMS**

5.1 The terms of payment for the lump sum amount specified in section 3.1 will be **[redacted commercially payment terms]**.

5.2 Unless otherwise agreed to in writing, the terms of payment for any other amounts payable under this Agreement will be 60 days from the date of an invoice from one Party to the other Party, provided that the other Party receives such invoice within five (5) days of the invoice date.

## **6 EXCLUSIVITY**

6.1 CBC will provide the service and supply pursuant to sections 2.1 and 2.2 exclusively to BVT. For greater certainty, CBC will not cooperate with or in any way support any third party:

- (a) in obtaining regulatory approval in the Territories of any third party compositions that include the Active Substance and are suitable for the Intended Purpose;
- (b) by supplying the Active Substance to any third party for the Intended Purpose; or
- (c) in any other way facilitate commercialization of third party compositions that include the Active Substance for the Intended Purpose.

6.2 CBC will not itself engage in use or commercialization of the Active Substance in the Territories for the Intended Purpose.

6.3 BVT will purchase the Active Substance exclusively from CBC, subject to section 4.2.

## **7 INITIAL TERM AND RENEWAL**

7.1 The Initial Term of this Agreement will commence on the Effective Date and continue for five (5) years following achievement of the Regulatory Objective, unless terminated earlier in accordance with this Agreement.

7.2 The Agreement will be renewed for three (3) additional five (5) year terms (each a "Renewal Term") beginning on the expiration of the Initial Term, and for each subsequent Renewal Term, on the expiration of the preceding Renewal Term, upon BVT providing CBC with written notice no less than 3 months prior to expiration of the Initial Term and each Renewal Term of BVT's intention to renew this Agreement.

## **8 TERMINATION**

8.1 Subject to sections 8.2 to 8.4, this Agreement may be terminated by either Party:

- (a) upon 30 days written notice if the other Party commits a material breach of this Agreement and that breach is not cured within the 30 day period;
- (b) upon immediate notice if the other Party commits a material act of insolvency or ceases or threatens to cease to carry on its business; and
- (c) upon 12 months written notice.

8.2 Upon termination of this Agreement prior to achievement of the Regulatory Objective, by BVT pursuant to section 8.1(a) or 8.1(b) or by CBC pursuant to section 8.1(c), CBC will:

- (a) reimburse BVT the lump sum amount specified in section 3.1;
- (b) reimburse BVT for any reasonable expenses incurred by BVT as part of the application and regulatory approval process in furtherance of the Regulatory Objective; and
- (c) complete the minimum supply obligations pursuant to section 4.1 for the calendar year in which the Agreement is terminated.

8.3 Upon termination of this Agreement after achievement of the Regulatory Objective, by BVT pursuant to section 8.1(a) or 8.1(b) or by CBC pursuant to section 8.1(c):

- (a) CBC will fulfil any open purchase order from BVT and complete the minimum supply obligations pursuant to section 4.1 for the greater of (i) 30 months after termination or (ii) the remainder of the Initial Term or the Renewal Term in which the Agreement was terminated; and
- (b) BVT will have the right to obtain the Active Substance from an alternate source, for example BVT producing the Active Substance itself or procuring the Active Substance from a third party. CBC agrees that it will support BVT in obtaining regulatory approval in the Territories for the alternately sourced Active Substance under an equivalency procedure.

8.4 Upon termination of the Agreement after achievement of the Regulatory Objective, by CBC pursuant to section 8.1(a) or 8.1(b), BVT will complete the minimum purchase obligations pursuant to section 4.4 for the calendar year in which the Agreement is terminated or provide CBC with a payment equivalent to the gross profit CBC would have made if BVT had completed the minimum purchase obligations for that calendar year.

## **9 ASSIGNMENT AND CHANGE OF CONTROL**

9.1 Neither Party may sell, assign, or otherwise transfer this Agreement, or any right or obligation hereunder, without the prior written consent of the other Party, which consent will not be unreasonably withheld.

9.2 Notwithstanding section 9.1, this Agreement is assignable and otherwise transferable by either Party to an Affiliate or in connection with a change of Control and will survive a change of Control.

## **10 CONFIDENTIALITY AND PRESS RELEASE**

10.1 The existence of this Agreement and its terms and conditions, as well as any technical and business information or trade secrets exchanged in connection therewith will be considered confidential information which the Parties will not use or disclose other than as specifically contemplated under and in accordance with this Agreement (except for information which is or comes in the public domain other than through the fault of the receiving party, which was in the prior possession of the receiving party, which is developed independently of the information exchanged in connection with this Agreement, or which is received from a third party without restrictions on use or disclosure).

10.2 Any public disclosure in connection with this Agreement must be mutually agreed to in writing by the Parties prior to making of any such public disclosure.

10.3 Notwithstanding section 10.1 and pursuant to section 10.2, the Parties agree that BVT has the right to a press release generally disclosing the existence and general subject matter of this Agreement and/or the general nature of the relationship established with CBC through this Agreement in furtherance of the Objectives.

10.4 The obligations under section 10 shall survive termination of this Agreement.

## **11 MISCELLANEOUS**

11.1 Notice: Any notice required or permitted under this Agreement will be personally delivered, or sent by telefax, email, courier, express or overnight delivery service, or by certified mail, postage prepaid, return receipt requested, to the address set forth below, or to such other address as will be advised by any Party to the other in writing. Notices will be effective as of the date of receipt.

To BVT at: Attn: Ashish Malik  
#7-4160 Sladeview Crescent  
Mississauga, Ontario, Canada, L5L 0A1

To CBC at: Attn: Vittorio Veronelli  
Via Zanica, 25 - 24050 Grassobbio (BG), Italy

11.2 Authority: Each Party represents and warrants that: (i) it has the full right, power, and authority to execute and deliver this Agreement and to perform its terms; (ii) the execution and delivery of this Agreement and the consummation of the transactions required by this Agreement will not violate or conflict with any charter provision or bylaw of a Party or any of its Affiliates; (iii) it has taken all required corporate actions to approve and adopt this Agreement; (iv) this Agreement is enforceable against each Party according to its terms; and (v) the person or persons executing this Agreement on its behalf are duly authorized and empowered to do so.

11.3 Severability: In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part will be severed from the remainder of this Agreement and all other provisions should continue in full force and effect as valid and enforceable.

11.4 Governing Law: This Agreement will be governed and construed in accordance with the laws of the Province of Ontario, Canada.

11.5 Counterparts: This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any Party by electronic translation will be as effective as delivery of a manually executed copy of such document by such Party.

11.6 Entire Agreement: This Agreement constitutes the entire agreement and understanding between the Parties relating to the object and scope of this Agreement and replaces and supersedes any prior agreement between the Parties whether written or oral. This Agreement may not be amended except by a writing that specifically references this Agreement and is signed by authorized representatives of the Parties.

**BEE VECTORING TECHNOLOGY INC.**

By "Ashish Malik"  
(Signature)

Name Ashish Malik  
(Please Print)

Title CEO

Date October 8, 2021

**CBC (EUROPE) S.R.L. – BIOGARD DIVISION**

By "Vittorio Veronelli"  
(Signature)

Name Vittorio Veronelli  
(Please Print)

Title CEO

Date October 11, 2021

**SCHEDULE A: ACTIVE SUBSTANCE**

**[Redacted commercially sensitive technical data regarding the formulation of the Beauveria bassiana strain ATCC 74040 Technical powder]**



**SCHEDULE B: Active Substance Regulatory Approval Status**

**[Redacted commercially sensitive status of Active Substance Regulatory Approval]**