

## PRODUCT SUPPLY AGREEMENT

This Product Supply Agreement (“**Agreement**”) is entered into as of March 29, 2022 (the “**Effective Date**”) by and between Pure to Pure Beauty Inc., a company formed pursuant to the laws of the Province of British Columbia, having an office at [REDACTED] (“**Purchaser**”) and Deserving Health International Corp., a company formed pursuant to the laws of the Province of British Columbia, having an office at [REDACTED] (“**Supplier**”).

Note: Personal Information

Purchaser and Supplier are sometimes referred to in this Agreement individually as a “**Party**” and together as the “**Parties**”.

### WHEREAS:

A. On June 5, 2021, the Parties entered into a product supply agreement (the “**June 2021 Agreement**”) for the production of certain Shampoo products, and both parties now desire to replace the June 2021 Agreement in its entirety with this Agreement in order to expand the product range offered by the Supplier to the Purchaser and to provide flexibility in the manufacture and packaging of such products;

B. The Purchaser wishes to purchase from the Supplier, and the Supplier is willing to sell to the Purchaser certain detergents, which includes shampoos, soaps and other related products (the “**Products**”), produced and packaged according the specifications provided to by the Purchaser to the Supplier.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein and intending to be bound hereby, the Parties agree as follows:

### 1. NEW AGREEMENT

1.1 This Agreement replaces the June 2021 Agreement in its entirety.

### 2. TERM

2.1 Term. This Agreement shall commence on the Effective Date and shall continue for a period of five (5) years from the date hereof (the “**Initial Term**”), unless previously terminated in accordance with Section 6 below. At the expiration of the Initial Term, this Agreement may be extended for another five (5) years upon six (6) months notification of such extension by the Purchaser, and, in the absence of such notification, this Agreement shall terminate automatically at the end of the Initial Term or any subsequent extension thereof. The Initial Term and any subsequent extensions are together referred to herein as the “**Term**”.

### 3. PRODUCT ORDERS AND PURCHASES; PRODUCT MANUFACTURE AND DELIVERY; TIME IS OF THE ESSENCE; CREATIONS

3.1 Purchase Price. The purchase prices for each of the Products (the “**Product Pricing**” or Product “**Purchase Price**”, accordingly) is set forth in Schedule “A” hereto. The Product Pricing is EXW (as defined in the Incoterms established by the International Chamber of Commerce) Supplier’s dock. If at any time the Parties mutually agree on one or more changes to the Product Pricing during the Term, Schedule “A” shall be modified accordingly, signed and dated by each Party. All prices are to be in Canadian dollars and are exclusive of any applicable taxes.

- 3.2 Payment Terms. Purchaser shall pay to Supplier fifty percent (50%) of the Estimated Purchase Price (as defined herein) for quantities of the Products purchased through any Purchase Order (as defined herein) issued pursuant to Section 3.4.1 upon the delivery of the Purchase Order to the Supplier, with the remaining Purchase Price (if any) paid within thirty (30) days after the Products in question are invoiced and delivered EXW Supplier's dock. For the purpose of this Agreement "**Estimated Purchase Price**" shall be the maximum price set out in the Product Price Range (as defined in Schedule "A" hereto). All payments under the Agreement shall be in Canadian dollars in immediately available funds. If Pure to Pure disputes in good faith any amount on an invoice, the Parties will work diligently and in good faith to resolve the dispute. The Purchaser will pay the undisputed amount on such invoice by when due and promptly pay the Supplier any amounts owed as a result of the Parties' resolution of any disputed amount. The Supplier reserves the right to assess interest charges of ten percent (10%) per annum on all past due undisputed amounts until paid in full.
- 3.3 Exclusivity and Assignment of Copyright. The Supplier will neither manufacture nor supply to any party other than the Purchaser any goods which incorporate any of the designs, intellectual property, artwork or copyright of the Purchaser.
- 3.4 Orders, Lead Times and Forecasts.
- 3.4.1 Issuance of Orders. During the Term, Purchaser shall purchase from Supplier and Supplier shall sell, package and ship to Purchaser the Products with the specifications and in the quantities set out in accordance with a purchase order issued by Purchaser from time to time hereunder (each a "**Purchase Order**"). The Purchase Order shall designate (a) the Products, (b) the Estimated Purchase Price, and (b) the quantity for each Product delivered at the loading dock of the Supplier's facility. The Purchaser may issue two types of Purchase Orders:
- (a) *Discrete Purchase Orders:* A discrete Purchase Order is an order for a discrete amount of Products to be delivered on a specific delivery date. Discrete Orders are firm commitments by the Purchaser; and
  - (b) *Blanket Purchase Orders:* A blanket Purchase Order is an order for an amount of Product to be determined in the future and to be delivered over a period of time. The Purchaser uses blanket Purchase Orders as an administrative convenience to track orders and to give the Supplier a reference number for invoicing. Blanket Purchase Orders are treated as binding on the Purchaser.
- 3.4.2 Lead Times. It is anticipated that all Purchase Orders shall provide for a production lead time of at least fifteen (15) days, from receipt of order, although production lead time will vary depending upon time of year, product mix of order, volume, etc.
- 3.4.3 Acceptance of Purchase Orders. The Supplier shall confirm to the Purchaser the receipt of each Purchase Order issued hereunder (each, a "**Confirmation**") within three business days following the Supplier's receipt thereof in written or electronic form. Each Confirmation must reference the Purchaser's Purchase Order number, and confirm acceptance of the Purchase Order. If the Supplier fails to issue a Confirmation within the time set forth in the first sentence of this Section 3.4.3 or

otherwise commences performance under such Purchase Order, the Supplier will be deemed to have accepted the Purchase Order.

- 3.4.4 Modification and Withdrawal Prior to Acceptance. Purchaser shall have the right to modify, or withdraw and terminate any Purchase Order issued by it pursuant to Section 3.4.1, provided Supplier shall have neither commenced production of Product in question nor incurred any non-refundable expense in connection with the production of said Products so ordered.
- 3.4.5 No Minimum Order. There are no minimum amount of Products that must be supplied pursuant to this Agreement.

### 3.5 Manufacture and Delivery.

- 3.5.1 Quality Assurance. Supplier shall, during the Term, maintain a quality assurance and production program that is reasonably satisfactory to Purchaser and consistent with commercially reasonable standards.
- 3.5.2 Specifications and Documentation. If specifications are provided by the Purchaser, Supplier shall use commercially reasonable efforts to manufacture the Products in accordance with the Purchaser's reasonable specification, provided that there is no additional cost to Supplier to meet the Purchaser's specifications. Any Product testing or certification required with respect to such products shall be at the expense of the Purchaser"
- 3.5.3 Delivery. EXW Supplier's facility loading dock.
- 3.5.4 Apparent Defects. Purchaser shall have the right to examine the Products delivered pursuant to each Purchase Order for apparent defects. Purchaser shall have twenty (20) days to review the Products and must notify the Supplier within twenty-five (25) days of delivery if Purchaser believes any Products so delivered have apparent defects, and Purchaser and Supplier shall work together in good faith to resolve the matter, which may include, for example, repackaging, sorting of defective items, or repairs to the Products. Any costs incurred by the Purchaser with respect to apparent defects of Products shall be paid by Supplier. Supplier may either be requested to replace defective Products or provide Purchaser credit. Failure to notify Supplier shall not diminish or impact Supplier's warranty of goods or its indemnity provided herein.
- 3.5.5 Title; Risk of Loss. Title of the Products shall pass to Purchaser upon being loaded from Supplier's dock for delivery to Purchaser. Purchaser shall bear the risk of loss or damage to the Products during shipping.
- 3.5.6 Time of Essence. Time is of the essence of each term or provision in this Agreement.

## 4. **INSPECTIONS AND AUDITS OF SUPPLIER**

- 4.1 Facilities' Inspections and Audits. Supplier shall make its production facilities available to Purchaser or its designee for inspection, including, during production runs of the Products, on reasonable notice. Supplier will consider Purchaser's suggestions, observations and

insights regarding the process of manufacturing the Products, including the identification and execution of cost-saving opportunities and strategies.

## 5. REPRESENTATIONS AND WARRANTIES OF PARTIES

5.1 Supplier Representations and Warranties. As an inducement to Purchaser's entering into this Agreement and to the issuance of each Purchase Order and purchase of Products hereunder, Supplier represents and warrants to Purchaser as follows:

5.1.1 Organization Representations; Enforceability. Supplier is a corporation duly organized and validly existing in the Province of British Columbia and duly qualified to conduct its business. The execution and delivery of this Agreement by Supplier and the transactions contemplated hereunder have been duly and validly authorized by all necessary action on the part of Supplier.

5.1.2 No Conflict. The entering into and performance of this Agreement by Supplier does not and will not violate, conflict with or result in a default under any agreement to which Supplier is a party.

5.1.3 Product Warranty. Supplier warrants that the Products shall conform to the samples provided. In addition, Supplier warrants that the Products shall be merchantable and fit for their respective intended use and purpose.

## 6. TERMINATION

6.1 Termination. This Agreement may be terminated as follows:

6.1.1 Notice by Purchaser. This Agreement may be terminated at any time by the Purchaser upon thirty (30) days written notice to the Supplier.

6.1.2 For Cause. Either Party may terminate this Agreement at any time upon written notice to the other Party if:

(a) the other Party breaches any of the provisions or terms of this Agreement and such breach is material in nature and continues uncured for a period of ten (10) days after notice in writing thereof to such breaching Party or, if the breach is material in nature and not reasonably capable of being cured within such ten (10) day period or within a reasonable time thereafter, provided that the cure period does not exceed thirty (30) days and that the breaching Party commences the cure within such ten (10) day period and proceeds diligently thereafter to effect the cure, and provided further that, if the said breach is not reasonably capable of being cured within such thirty (30) day period then the other Party may terminate this Agreement immediately upon notice in writing to such breaching Party; and

(b) the other Party ceases the active conduct of business, is adjudicated a bankrupt or insolvent or becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, receivership, trusteeship or other similar proceeding and the same is not dismissed within thirty (30) days.

- 6.2 Effect of Termination or Expiration. Upon expiration or termination of this Agreement for any reason, all rights hereunder shall terminate except as expressly provided herein. Following termination, so long as Purchaser is not the breaching, bankrupt or insolvent Party, Purchaser shall purchase, or have the right to purchase, finished inventory then held by Supplier at the price and in the manner set forth in Section 3.1.
- 6.3 Survival. In the event this Agreement is terminated or expires, the provisions of Section 6 shall survive such termination or expiration as more fully set forth therein.
- 6.4 Acknowledgement. The Supplier acknowledges that the termination of this Agreement by Purchaser in accordance with its terms shall not affect Supplier's obligations pursuant to Section 7 hereof. In addition, Supplier acknowledges such termination by Purchaser shall not affect any other agreements between Supplier and the Purchaser or its affiliate(s), including but not limited to any design agreement or royalty agreement, which may be in effect.

## 7. NON-DISCLOSURE AND NON-SOLICITATION

### 7.1 Confidential Information.

- 7.1.1 Supplier (the "**Receiving Party**") acknowledges that it has received and otherwise will or may obtain certain information, specifications and other materials that the Purchaser (the "**Disclosing Party**") deems proprietary and confidential, including, without limitation, the names of customers, the terms of the commercial relationship with such customers, and drawings, designs, know-how, data and trade secrets of the Disclosing Party, in each case, whether in oral, visual, written, computerized, magnetic, digital, or other form, disclosed to or obtained by Receiving Party, which is not readily available to the general public or which, by its nature, is generally considered proprietary and confidential, regardless of whether such information is specifically marked as confidential (collectively, "**Confidential Information**").
- 7.1.2 Notwithstanding the foregoing, Confidential Information shall exclude any Creation developed by Supplier to Purchaser during the Term and shall exclude any information or other material that: (i) was in the public domain at the time it was communicated to Disclosing Party or subsequently enters the public domain through no fault of Receiving Party; (ii) Receiving Party can demonstrate was independently developed by Receiving Party, provided, however, that the Licensed Intellectual Property shall not be subject to this exception or (iii) was communicated rightfully to Receiving Party by an unrelated third party that was free of any obligation of confidentiality and without restriction as to use. Receiving Party agrees that all information, Specifications and other material disclosed or obtained hereunder shall be presumed to be Confidential Information, and Receiving Party shall bear the burden of proof of demonstrating that any such information, Specifications or other information or material falls under one of the foregoing exceptions.
- 7.1.3 If Receiving Party at any time is required pursuant to judicial order or other compulsion of law to disclose Confidential Information, Receiving Party shall provide prompt prior written notice of any such requirement to Disclosing Party so that Disclosing Party may seek an appropriate protective order or other remedy.

Receiving Party may disclose only that portion of the Confidential Information that such Receiving Party is legally compelled or is otherwise required by law to disclose, and the Receiving party shall continue to treat such disclosed portion as Confidential Information of Disclosing Party.

7.2 Limits on Use and Disclosure.

7.2.1 Receiving Party shall maintain the confidentiality of all Confidential Information of Disclosing Party that Receiving Party previously received or obtained, including all Licensed Intellectual Property in its possession prior to the Effective Date, or that it may receive or otherwise obtain hereafter, and shall not disclose, communicate or divulge such Confidential Information or transmit any documents or copies containing such Confidential Information to any other Person, except as expressly permitted by Disclosing Party under the terms of this Agreement.

7.2.2 Receiving Party further acknowledges that at no time shall it use or permit any other Person to have access to, use, derive any benefit from, or otherwise exploit the Confidential Information, except in the performance of this Agreement or as otherwise expressly permitted in writing by Disclosing Party. Receiving Party may disclose Confidential Information only to (i) its employees and officers who have a need to know such Confidential Information, who have been advised of the confidential nature of such information, and who have expressly agreed to be bound by confidentiality and non-use terms for the benefit of Disclosing Party consistent with the terms of this Agreement.

7.3 Ownership. All Confidential Information shall remain the exclusive property of Disclosing Party, and nothing in this Agreement shall be deemed to grant Receiving Party any rights or license in or to the Confidential Information. No implied rights or licenses shall arise, or be asserted to arise, as a result of the disclosures hereunder or otherwise.

7.4 Remedies Upon Breach.

7.4.1 In the event the Receiving Party breaches any provision of Section 7 of this Agreement, the Disclosing Party shall have the right to: (i) recover from the Receiving Party any damages incurred by the Disclosing Party by reason of such breach, together with all attorneys' fees and costs of suit, whether or not the Disclosing Party is awarded any damages on account of such breach; (ii) obtain injunctive relief against the Receiving Party to prevent such breach or to otherwise enforce the terms of this Agreement; and (iii) pursue any other remedy available at law or in equity. All remedies available to the Disclosing Party shall be cumulative and not exclusive, and under no circumstances shall the Disclosing Party be deemed to have elected any particular remedy.

7.4.2 The Receiving Party acknowledges that the unauthorized disclosure or use of Confidential Information as set forth above would result in irreparable harm to the Disclosing Party for which Disclosing Party would otherwise have no adequate remedy at law. The Receiving Party therefore agrees that in the event of any threatened or actual unauthorized disclosure or such use of Confidential Information, Disclosing Party shall be entitled to injunctive relief and shall not be required to provide a bond or other security as a condition to or in connection

therewith. This remedy shall be in addition to any other remedy available at law or in equity.

7.5 Survival. This Section 7 shall survive expiration or termination of this Agreement for the longest period permitted by applicable law.

## 8. INDEMNITY OBLIGATIONS

### 8.1 Mutual Indemnity.

8.1.1 Supplier shall indemnify and hold harmless Purchaser, and its, officers, directors, agents, employees and representatives from and against all claims, losses, damages and liabilities ("**Claims**"), including reasonable legal fees and costs arising out of or relating (i) to any failure of the Products to meet any specifications or samples provided, or (ii) Supplier's breach of this.

8.1.2 Subject to Section 8.3 below, Purchaser shall indemnify and hold harmless Supplier, and its, officers, directors, agents, employees and representatives from and against all Claims arising out of or relating to Purchaser's breach of this Agreement.

### 8.2 Intellectual Property Indemnity.

8.2.1 Indemnity. Supplier shall indemnify Purchaser and its Subsidiaries and Affiliates and each of their respective officers, directors, employees, stockholders, assignees, members, agents and representatives ("**Indemnitees**") and hold them harmless from any and all Losses suffered or incurred by any Indemnitee to the extent arising from, in connection with or otherwise with respect to the manufacture or supply of any Product hereunder, in accordance with this Agreement, arising from any claim that the Products infringe upon or violate any patent, copyright, trade secret, trademark or other proprietary right of any third party. Each Party shall give the other Party prompt written notice of any third party claim.

## 9. MISCELLANEOUS

9.1 Independent Contractor Relationship. The relationship between Purchaser and Supplier is that of independent contractors and neither of the Parties, nor their Affiliates, agents, or employees, shall be deemed to be the agent of another Party.

9.2 Governing Law. This Agreement and the validity, construction and performance hereof shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada as applicable therein, excluding the operation of any rule or principle of conflict of laws.

9.3 Choice of Forum. The Parties irrevocably submit to the jurisdiction of the British Columbia Courts or the Federal Court of Canada in any action arising or relating to this Agreement, and the Parties hereby irrevocably agree that all claims in respect of any such action or proceeding shall be heard and determined exclusively in such a court.





hereto and incorporated into this Agreement by reference. All Section references herein shall be to sections of this Agreement unless otherwise specifically stated.

- 9.10 Amendment. No provisions of this Agreement may be altered or amended unless such alteration or amendment is in writing and executed by duly authorized officers of both Parties, except where otherwise specifically provided for in this Agreement.
- 9.11 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties, their successors and permitted assigns.
- 9.12 Assignment. Any attempted assignment by Supplier of its rights, duties or obligations hereunder, without the prior written approval of Purchaser, shall be null and void. Purchaser shall not assign this Agreement or its rights, benefits and obligations hereunder, except to an Affiliate, unless with the prior consent of Supplier, which consent shall not be unreasonably withheld. Following such assignment by Purchaser, Purchaser shall remain liable for the performance of its assignee's obligations under this Agreement.
- 9.13 Counterparts. This Agreement may be executed in counterparts or by facsimile, each of which shall be an original, but all of which together shall constitute one agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by duly authorized representatives of the Parties effective as of the Effective Date.

**DESERVING HEALTH INTERNATIONAL CORP.**

s/ "Sudhir Sharma"  
Sudhir Sharma, Director

**PURE TO PURE BEAUTY INC.**

s/ "Simon Cheng"  
Simon Cheng, CEO and Director

## SCHEDULE "A"

### PRODUCT PRICING

All capitalized terms used herein, but not otherwise defined herein, shall have the same meaning ascribed to them in the Agreement to which this Schedule "A" is attached to.

- (1) Product specifications are to be agreed upon by both Parties prior to setting pricing.
- (2) The price for Products supplied by the Supplier to the Purchaser which meet the requirements of any Purchaser Order placed with the Supplier by the Purchaser shall be an amount equal to the cost of labour and materials utilized to produce the product (the "**Input Cost**"), plus thirty percent (30%) (the "**Markup Rate**") of the Input Cost for the applicable product (the resulting amount, the "**Price**").
- (3) The Supplier shall provide the Purchaser with access to all documents and information requested by the Purchaser to evidence the costs of materials and labour utilized by the Supplier as input for the applicable product. For greater certainty, all such documents and information provided by the Supplier shall be subject to the confidentiality provisions set out in Article 7 of the Agreement.
- (4) The Price includes, and the Supplier is solely responsible for, all costs and expenses relating to packing, crating, boxing, transporting, loading and unloading, insurance, and any other similar financial contributions or obligations relating to the manufacture, sale and delivery of the applicable product.
- (5) The Markup Rate is firm and is not subject to increase for any reason, including changes in market conditions, increases in raw material, component, labour or overhead costs, or because of labour disruptions or fluctuations in production volumes.
- (6) For each type of product supplied by the Supplier to the Buyer pursuant to this Agreement, the Parties shall establish a range of prices (the "**Product Price Range**") prior to the Purchaser delivering the first Purchase Order to the Supplier for the type of Product. After the first Purchase Order is placed, the Product Price Range shall be set for the next six (6) months, and may only be varied by the written agreement of both parties. The Product Price Range may be adjusted by the Supplier every six (6) months.