

# Warehousing & Fulfillment Agreement

(hereinafter referred to as the "Agreement")

THIS AGREEMENT made as of the 2<sup>nd</sup> day of March, 2022

BETWEEN:

ESHIPPER+ INC.

Company incorporated under the laws of Canada (hereinafter referred to as the "Company")

-and-

GROUNDED PEOPLE APPAREL INC.

Company registered under the laws of Canada (hereinafter referred to as the "Client")

WHEREAS the Company is engaged in the warehousing and fulfillment business;

AND WHEREAS the Client wishes to engage the Company to provide warehousing and fulfillment services, upon the terms and conditions herein set out;

NOW THEREFORE, the parties hereto agree as follows:

#### 1. APPOINTMENT AND TERM:

- a) The Client hereby appoints the Company subject to the terms and conditions contained herein as their warehousing and fulfillment center in Canada, and the Company hereby accepts such appointment;
- b) The appointment contained herein shall commence as of March 15<sup>th</sup>, 2022, and, subject to the rights of termination hereinafter set forth, shall continue for a term of one (1) year.

#### 2. SERVICES:

The Client hereby agrees with the Company as follows:

- a) The Client will ship products to the Company's warehousing location;
- b) The Company will be responsible for receiving, inventorying and warehousing the Client's product at the warehousing facility;
- c) On receipt of complete orders electronically via the Company's Order Portal or written instructions from the Client, the Company will pick, pack and ship the orders to the Client's customers using the best method of transportation available or method requested by the Client (based on a minimum of 10 orders per day or once a week, whichever comes first);
- d) The Company will update the Company's Order Portal system regularly to allow for an accurate inventory count;



- e) The Company will insure the Client's product under its general warehouse insurance policy (\$100/ Bin Position & \$1,000/ Pallet Position), additional insurance must be arranged by the Client if required at their own cost;
- f) The Company will take immediate action to correct, replace and return any mis-packaged items at no cost to the Client or the Client's customers (including the repick, repack, reship and return label fees).
- g) 3% shrinkage is industry standard acceptable by both Parties. Shrinkage above the acceptable standard will be addressed by the Company at the Client's Canadian landed cost.

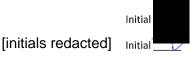
#### 3. FEES AND TERMS:

- a) The Client agrees to compensate the Company based on the fee schedule attached on Schedule "A" - TIERED PRICING;
- b) All shipping costs will be billed separately based on rates available at the time of shipping;
- c) Prices are locked as per Schedule "A" for the length of the Agreement (1 year);
- d) Termination of the Agreement by the Client within 180 days of the agreement date will be subject to a \$750 implementation fee.
- e) Invoices are issued monthly on the last day of each month;
- f) Invoices are due within 15 days of the invoice date;
- g) The Client agrees that where the invoice(s) is not paid within 120 days of its issuance date, the Company shall reserve the right, in its sole discretion, to liquidate the Client's Inventory and recover all outstanding amounts payable to the Company, in addition to a 15% administration fee.

  [Pricing redacted]
- h) The monthly minimum spend is set to \$ The first month, the monthly minimum is waived.
- i) The Company undertakes that where there is leftover inventory after the Company has recovered the full amount payable by the Client, it shall return the excess inventory to the Client at the Client's expense. If the Client is not willing to pay for the return of inventory, all remaining inventory will be disposed of at the Client's expense.
- j) Applicable taxes will be applied to charges accordingly.

#### 4. TERMINATION:

This Agreement may, at the option of the Company, be terminated if payment for services rendered are not paid and or delayed beyond the agreed-upon term. Such termination will take effect 15 days after the notice is served to the Client allowing for any payment breaches to be cured. Such termination will be without prejudice to any rights of the Company which have occurred prior to such termination.





Notwithstanding any of the foregoing, this Agreement may be terminated by the Client or the Company for any reason with Sixty (60) days notice to the other party hereto. The Client's online account will remain active and accessible for seventy-two (72) hours after the termination of the Agreement.

#### 5. CONFIDENTIALITY:

Each Party acknowledges that all Confidential Information consists of confidential and proprietary information. Except as required by law, rule, regulation, or court order, each Party agrees to keep all Confidential Information concerning the other in strict confidence. Except as required by law, rule, regulation, or court order, each Party agrees not to make use of Confidential Information other than for the exercise of rights or the performance of obligations under this Agreement, and not to release, disclose, communicate it or make it available to any Person other than employees, agents and permitted contractors of the Company and the Client and their respective Affiliates who reasonably need to know the Confidential Information in connection with the exercise of rights or the performance of obligations under this Agreement. Each Party shall cause its employees, agents and permitted contractors to observe and perform his, her or its obligations under any such agreement to the extent that such obligations relating to the protection of any such received Confidential Information.

#### 6. LIMITATIONS OF LIABILITY

Either Party's total aggregate liability arising out of or in connection with the performance or contemplated performance under the Agreement (whether for tort, negligence, breach of the Agreement, breach of statutory duty or otherwise) shall in no event exceed the sum of \$30,000, being the price paid or payable by the Client to the Company within the 12 month period immediately before the date of the event giving rise to either Party's claim. Nothing contained in this Agreement shall exclude or limit either party's liability:

- a) Death or personal injury caused by its negligence; or
- b) Fraud or fraudulent misrepresentation; or
- c) Any other matter for which it would be prohibited by the applicable law to limit or exclude or attempt to limit or exclude liability. In all such cases, a party's liability shall be limited to the greatest extent permitted by applicable law.

### 7. INDEMNIFICATION:

The Company agrees that it shall protect, defend, indemnify and hold harmless the Client, from and against all liabilities, losses, costs, damages, expenses, claims, attorneys' fees, and disbursements of any kind or of any nature whatsoever imposed upon the Client, whether incurred directly or indirectly by the Client, by virtue of, or in connection with, or arising out of any:

a) Failure of the Company to maintain appropriate compliance to carry out the purposes of this Agreement, resulting in the inability to, among other things, fulfill products for the Client; or





b) Claims arising from the negligence of the Company in performing its services pursuant to the terms of this Agreement.

Provided that the Company's liability in regards to (a) and (b) shall be limited as per the Limitation of Liability clause set out in paragraph one above.

#### 8. GOVERNING LAW & JURISDICTION

This agreement is governed by the laws of the Province of *Ontario*, Canada, without regard to conflict of laws principles that would require the application of the laws of another jurisdiction. Both parties irrevocably submit to the exclusive jurisdiction of the courts of the Province of Ontario, Canada.

#### 9. GENERAL PROVISIONS:

All notices, requests, demands or other communications (collectively "Notices") by the terms hereof required or permitted to be given by one party to another shall be given in writing by personal delivery or by certified or registered mail, postage prepaid, addressed to the other party or delivered to such other party as follows:

to the Company at:

eShipper+ Inc.

108 Summerlea Road Brampton, ON L6T 4X3

Canada

to the Client at:

Grounded People Apparel Inc. 800 - 1199 West Hastings Street

Vancouver, BC V6E 3T5

Canada

Or at such other addresses as may be given by one of them to the other in writing from time to time, and such notices shall be deemed to have been received when delivered, or if mailed, five (5) business days after the date of mailing thereof.

In this Agreement, the use of the singular number includes plural and vice versa, and the use of any gender includes all genders. Time shall be of the essence of this Agreement. All provisions of this Agreement are severable. This Agreement shall ensure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and assigns. This Agreement may not be assigned by the Client without the written consent of the Company.

IN WITNESS WHEREOF the parties have executed this on the  $\frac{\mathcal{L}}{\mathcal{L}}$  (date) of March 2022.

ESHIPPER+ INC.

BV:

Name: Aamer Razack

Title: President & COO

GROUNDED PEOPLE APPAREL INC.

Ву:

Name: Maximilian Justus

Title: CEO



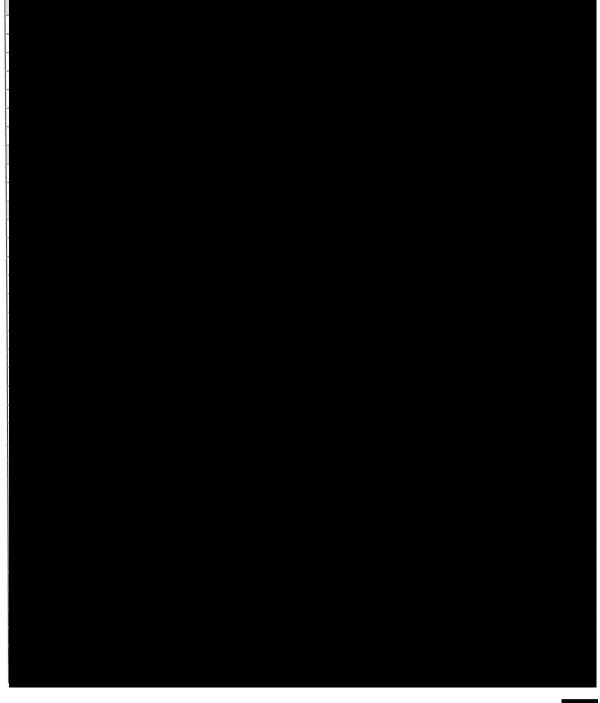


## [Pricing information redacted]

# ON WAREHOUSING & FULFILLMENT RATE CARD (CDN)

 MONTHLY ORDERS
 TIER 1 (ON)
 TIER 2 (ON)
 TIER 3 (ON)

 (UPTO 150 SKUS/ UPTO 35 PALLETS)
 (1-1,000 ORDERS)
 (1,001-2,500 ORDERS)
 (2,501+ ORDERS)



Initial

.z.	J.	A.	all.