

PURCHASE and AGENCY AGREEMENT

between

Cannerald GmbH

and

The Purchaser

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I. PARTIES

Cannerald GmbH (CHE-242.603.205), a corporation established in accordance with Article 772 et seqq. of the Swiss Code of Obligations, with place of business at c/o Megalink GmbH McLaw, Zweigniederlassung Pfäffikon, Bahnhofstrasse 13, 8808 Pfäffikon SZ, Switzerland

(hereinafter referred to as “Cannerald”, “Seller” or “Agent”)

and

Purchaser

(hereinafter referred to as “Purchaser” and “Principal”; whereas the “Seller” and “Agent” and the “Purchaser” and “Principal” are together referred to as the “Parties”)

II. COVENANTS

PREAMBLE

Cannerald’s activities include trading, selling and manufacturing raw materials for biomedical products and growing cannabis in Switzerland (CBD/medical cannabis below 1% THC content). Cannerald enables its customers to purchase one or more cannabis plant(s), whereby Cannerald as a service cultivates, maintains and harvests the purchased plant(s) in its greenhouses for the customer. Harvests take place approximately every two to three months. The customer can decide after each harvest whether he/she wants to sell the harvest to Cannerald or whether he/she wants the harvest to be delivered to his/her address in Switzerland. Consequently, Cannerald and the customer will hereinafter conclude a purchase agreement with respect of the cannabis plants and an agency agreement with respect to the services performed by Cannerald (cultivating, maintaining and harvesting the plants).

PURCHASE AGREEMENT

ARTICLE 1 OBJECT OF SALE AND PURCHASE

In accordance with the terms and subject to the conditions of this agreement, Seller hereby agrees to transfer to Purchaser the assets, and Purchaser hereby agrees to remunerate Seller for the transfer of the assets ("**Purchase Agreement**").

1.1. Assets

Seller shall transfer to Purchaser the assets expressly mentioned and listed in **ANNEX 1** hereto ("**Assets**").

1.2 Completeness

The parties hereto acknowledge having fully reviewed **ANNEX 1** hereto and having had opportunity to gain full certainty that this **ANNEX 1** reflects their respective will to transfer and to acquire the assets, respectively.

1.3 Effective Date

This Agreement shall be effective as of its day of conclusion, after the Purchaser receives a confirmation of the Seller regarding the order by way of an email.

ARTICLE 2 PURCHASE PRICE

As a full consideration for the Assets, Purchaser hereby commits to pay to Seller a total purchase price of

- 1599,34 EUR per Plant

incl. 7.7% VAT (hereinafter referred to as "**Purchase Price**").

ARTICLE 3 TRANSFER OF OWNERSHIP WITHOUT TRANSFER OF ASSET(S) (CONSTITUTUM POSSESSORIUM)

The Constitutum Possessorium is regulated in Art. 924 of the Swiss Civil Code ("**CC**"). Pursuant to Art. 924 para. 1 CC, it is agreed that the Seller himself remains in possession of the Assets on the basis of a special legal relationship, i.e. the agency agreement between Cannerald as the Agent and the Purchaser as the Principal with respect to the services to be provided by the Agent in the form of cultivation, maintainance and harvesting of the purchased Assets(s) in the Agent's greenhouses. Thus, the Parties agree that as of the signing date of this Agreement (and/or after the Seller receives the Purchase Price), the Purchaser acquires independent (indirect) ownership [*selbständigen (mittelbaren) Besitz*] of the Asset(s), while the Seller becomes dependent (direct) owner [*unselbständiger (unmittelbarer) Besitzer*].

ARTICLE 4 REPRESENTATIONS & WARRANTIES

4.1 Seller's Representations and Warranties

Seller represents and warrants hereby to Purchaser that:

- (i) It has the legal right to enter into this Purchase Agreement under the Laws of Switzerland or any other law applicable to the Assets or to Seller itself.
- (ii) It is the legal owner or is otherwise legally and/or contractually entitled to the Assets and to the transfer of the Assets without any restrictions.
- (iii) It has good and marketable title to the Assets, and such assets are free and clear of all liens, claims, charges, security interests, options, or other title defects or encumbrances.

4.2 Purchaser's Representations and Warranties

Purchaser represents and warrants hereby that it has the legal right and capacity to enter into this Purchase Agreement under the Laws of Switzerland or any other applicable law and that Purchaser is at least 18 years old.

ARTICLE 5 WARRANTY AND LIABILITY

The statutory warranty is expressly excluded. A guarantee is not granted. Seller shall have the discretion to provide compensation by free repair, equivalent replacement or by reimbursement of the Purchase Price in the case of defects of the Assets. Further claims are excluded.

Seller does not accept any liability for cuttings. Cuttings are a natural product, so Seller gives no guarantee with regard to CBD and THC content and/or for any damage. Any liability for possible damages is excluded.

Seller excludes any liability, regardless of its legal basis, as well as claims for damages against Seller and any auxiliary persons and vicarious agents. Consumption or use of the Assets is at the Purchaser's own risk. Likewise, any responsibility is excluded in the event of misuse of the Assets. Thus, under no circumstances can Seller be held responsible for damages of any kind arising directly or indirectly from the use, application or transfer of Assets. Any liability for consequential damages is rejected.

Liability is based on the applicable legal provisions. However, in no event shall Seller be liable for (i) slight negligence, (ii) indirect and consequential damage and subsequent damage and loss of profit, (iii) unrealised savings, or (iv) any acts and omissions on the part of auxiliary persons and/or vicarious agents of Seller, be this contractual or non-contractual.

AGENCY AGREEMENT

ARTICLE 6 SCOPE OF AGENCY AGREEMENT

The parties agree to enter into an agency agreement within the meaning of Art. 394 et seqq. of the Swiss Code of Obligations (“**CO**”).

The Principal mandates the Agent with, and the Agent undertakes to conduct the following services:

- Cultivation of Assets in Annex 1 in its greenhouses;
- maintenance of Assets in Annex 1 in its greenhouses;
- harvest of the Assets in Annex 1; and
- storage of the harvest of the Assets in Annex 1 for four weeks after every harvest

(hereinafter referred to as “**Agency Agreement**”).

ARTICLE 7 STORAGE AND USE OF THE HARVEST

Harvests take place approximately every two to three months (depending on the specific species of cannabis). The Principal has to determine after each harvest on the Agent's website within two weeks whether he/she wants to sell the harvest to the Agent or whether he/she wants the harvest to be delivered to his/her/its place of residence or place of business in Switzerland.

The Agent will store each harvest for two weeks free of charge. If the Principal does not determine after a harvest on the Agent's website within two weeks whether he/she wants to sell the harvest to the Agent or whether he/she wants the harvest to be delivered to his/her/its place of residence or place of business in Switzerland, Agent will have the right to buy the respective harvest for the current market price.

Principal agrees herewith in advance that the Agent may relocate the plants listed in Annex I to another greenhouse (or another room in a greenhouse) in Switzerland without giving any reason. Agent undertakes to inform Principal about the new location of each of his/her/its plants in a timely manner.

ARTICLE 8 COMPENSATION FOR AGENCY SERVICES

The costs for the fulfilment of the obligations in accordance with the present Agency Agreement are deducted from the harvest according to the price list as set out in **Annex 2**. The remaining amount of harvest of each Cannabis plant (after deduction of the costs according to Annex 2) will be shared between the Agent and the Principal (50% | 50%). Thus, as part of its compensation for the fulfilment of the obligations in accordance with the present Agency Agreement, the Agent will receive 50% of the harvest of each of Principals plants after decuction of the costs according to Annex 2.

ARTICLE 9 ACKNOWLEDGEMENTS OF PRINCIPAL

The Principal acknowledges and agrees to the following: the Cannabis amount harvested depends on the variety, fertilizer, irrigation and many other factors. The harvest per plant can vary between 5g and 75g. The Agent calculates with an average price of 2 EUR per gram Cannabis. This price can also rise or fall, depending on the offers. The Agent cannot guarantee the purchase/sale of the Principal's harvest, but Agent always tries to the best of its ability to produce the best possible quality.

ARTICLE 10 DURATION AND TERMINATION OF THE AGENCY AGREEMENT

The Agent commences his services as described in Art. 6 as of the date of conclusion of this Agreement. The Agency Agreement is concluded for an indefinite period and may be revoked or terminated at any time by either party in accordance with Art. 404 para. 2 CO.

The Parties agree that upon the death of the Principal, the Agency Agreement shall not terminate and shall pass to his/her legal heirs.

In the event that the profits of the harvests no longer cover the costs pursuant to Annex 2 for cultivating the plants listed in Annex 1, the Agent reserves the right to terminate the Agency Agreement.

In case of termination of the Agency Agreement, Principal will have to pick up all the plants listed in Annex 1 on site within 2 weeks. If the Principal is not able to pick up the plants on site, he/she must instruct the Agent to send the plants to a specific address in Switzerland. The costs of this transport will have to be borne by the Principal. Furthermore, in case of termination of the Agency Agreement, the Agent is not obliged to buy back the plants listed in Annex 1. In individual cases, however, the parties may negotiate the repurchase of the plants or a part of the plants listed in Annex 1.

ARTICLE 11 OBLIGATIONS OF THE AGENT

The Agent must document his expenses and, if requested, present them to the Principal.

ARTICLE 12 LIABILITY OF THE AGENT

The Agent shall be liable according to the provisions of the CO.

GENERAL PROVISIONS

ARTICLE 13 ENTIRE AGREEMENT

By signing this Purchase Agreement and Agency Agreement, the Purchaser/Principal also agrees to the most recent version of the General Terms

and Conditions of the Seller (“**GTC**”) which form an integral part of this Purchase Agreement and Agency Agreement.

The Purchase Agreement and Agency Agreement in connection with the most recent GTC constitute the entire agreement (“**Agreement**”) between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions with respect to the subject matter hereof whether written or oral. In case of conflicting provisions between the Purchase Agreement/Agency Agreement and the GTC, the provisions of this Purchase Agreement and Agency Agreement shall prevail the provisions of the GTC.

ARTICLE 14 INSURANCE

If the harvest of the plants listed in Annex 1 is stolen, the Agent's insurance will cover the damage.

In case of a fire or technical defect which destroys the plants listed in Annex 1, the Seller's/Agent's insurance covers the damage including the costs to restart the grow of all plants listed in Annex 1.

ARTICLE 15 TRANSFER TO A THIRD PARTY

The Seller/Agent agrees that the Purchaser/Principal may transfer his assets listed in Annex I as well as the associated Agency Agreement to a third party, provided that the third party is resident in Switzerland, is at least 18 years old and agrees to accept the most current GTC and the provisions (in particular the price list as set out in Annex 2) of the Agency Agreement.

The Purchaser/Principal undertakes to notify the Seller/Agent on its website of the transfer to a third party and to disclose the essential details of the third party (name, address, e-mail etc.).

ARTICLE 16 MODIFIABILITY OF THE AGREEMENT

The Seller/Agent may change the terms of the Agreement at any time. The amended terms of the Agreement shall be effective upon publication on www.cannerald.com and/or www.cannergrow.com. and upon delivery of the amended terms of the Agreement in the web interface of the Purchaser/Principal.

ARTICLE 17 SEVERABILITY

The invalidity or unenforceability of any provision or any covenant of this Agreement shall not affect the validity or enforceability of any other provision or covenant hereof or herein contained and any invalid provision or covenant shall be deemed to be severable. The Parties shall negotiate in good faith in order to

replace the provision declared invalid or unenforceable with a new provision, valid and enforceable, which preserves the original intention of the parties.

ARTICLE 18 APPLICABLE LAW

This Agreement shall be governed and construed in accordance with the substantive Laws of Switzerland. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

ARTICLE 19 JURISDICTION

For claims by consumers, the place of jurisdiction shall be determined in accordance with Art. 32 of the Swiss Code of Civil Procedure. In any other case, the exclusive place of jurisdiction is [at the statutory seat of Cannerald].

Annex 1

List of Assets

Plant-Label	Location	Room	THC Limit	Price (ink Vat)	Starts at
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After you confirm this draft we will insert all your Plants which you going to buy here. You will find the final filled contract in your Backoffice under "Financial".

Annex 2

Price List

As already stated in Art. 8 above, the costs for the fulfilment of the obligations in accordance with the present Agency Agreement are deducted from the harvest according to the price list as set out in this Annex 2. As already stated in Art. 9 above, the harvest per plant can vary between 5g and 75g. The Agent calculates with an average price of 2 EUR per gram Cannabis. This price can also rise or fall, depending on the current offers on the market. Consequently, the Agent will deduct a specific amount of gramm Cannabis from the harvest which corresponds (according to the current market price) to the the costs listed below which can also vary depending on quality changes or optimisations:

Costs of the plant per harvest

After each successful harvest the costs as stated below are deducted. What remains is the net profit of a plant in the form of a specific amount of gramm in CBD per plant. The costs per plant are as follows:

Electricity:

- Lamps: Our electricity costs per plant for one grow period are EUR 3.76
- Ventilation & airing: Our electricity costs per plant for one grow period are EUR 3.80 (fixed per plant) + EUR 1.88

Water and Fertilizer:

A plant receives up to 1.5 litres of water mixed with fertilizer every day. We take the value of 1.2 litres per day to calculate the water consumption for a complete grow. Thus, one plant needs in a complete grow cycle (approx. 70 days) about 84 litres of water, which costs EUR 0.12 for the water and EUR 4.85 for the fertilizer (fixed per plant).

Further costs:

- Employee Salaries: EUR 9.30 and EUR 2.20 (fixed per plant)
- Rockwool blocks: EUR 0.40 (fixed per plant)
- Consumables: E.g. scissors, gloves, masks etc.: EUR 2.50 (fixed per plant)
- Rental costs: EUR 5.80

Total costs of a 3 stars plant per harvest: EUR 34.61

Calculation for 2 stars plants: All costs of a 3 stars plant can be halved, excluding the fixed per plant costs.

Calculation for 1 star plants: All costs can be divided by 3, excluding the fixed per plant costs.