

This Wholesale Distribution Agreement (the “**Agreement**”) is made as of the Effective Date set forth on the Signature Page by and between Soreno HVAC Inc. (“**SORENO**”) and the Wholesaler set forth on the Signature Page (the “**Wholesaler**”), and provides the following:

A. BACKGROUND

1. SORENO desires to sell certain heating, ventilation, air conditioning (HVAC) and related products (the “**Products**”) through selected wholesalers who provide professional sales and exceptional after-sales services to Business-to-Business (B2B) clients, including dealers, retailers, installers, and others (“**B2B Clients**”).
2. The Wholesaler is an existing and legitimate business operating from a location with adequate and appropriate storage facility and a team of professional sales personnel who sell HVAC and related products to its B2B Clients.
3. SORENO and the Wholesaler desire to enter into this Agreement whereby the Wholesaler shall sell and provide customer service of the Products to its B2B Clients.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, SORENO and the Wholesaler (individually the “**Party**” and collectively the “**Parties**” to this Agreement) agree as follows:

1. APPOINTMENT AS NON-EXCLUSIVE WHOLESALER

- 1.1 Subject to the terms and conditions of this Agreement and subject to such implementing rules and instructions as SORENO may issue from time to time, SORENO hereby grants and appoints the Wholesaler, and the Wholesaler accepts, the non-exclusive right to sell and provide customer service on the Products.
- 1.2 SORENO reserves the right, at its own discretion, to grant and appoint other Wholesalers the non-exclusive right to sell and provide customer service on the Products within the same sales area.
- 1.3 SORENO agrees to make available and to sell to the Wholesaler such quantities of Products as the Wholesaler shall order from SORENO at the posted prices, subject to the terms and conditions set forth in this Agreement.

2. OBLIGATIONS OF THE WHOLESALER

- 2.1 The Wholesaler agrees to be bound by the terms and conditions herein and will promote, sell and provide customer service on the Products. Without limitation to the generality of the foregoing, the Wholesaler agrees to:
 - 2.1.1 Maintain a location with adequate and appropriate storage facility that can properly facilitate the Products before installation.
 - 2.1.2 Maintain a registered and legitimate business operation selling the Products to B2B Clients.
 - 2.1.3 Maintain competent sales personnel to solicit sales of the Products and provide excellent customer service on the Products.
 - 2.1.4 Advertise and promote Products in a commercially reasonable manner and transmit reasonably necessary product information, promotional materials and installation requirements to its B2B Clients. The Wholesaler will not pursue advertising or promotional activities that will negatively portray the Products or SORENO, or in a way that is inconsistent with the advertising and promotional standards of SORENO.
 - 2.1.5 Arrange for and ensure the prompt and efficient response to B2B Clients’ queries in accordance with SORENO’s policies and guidelines; and abide by such reasonable rules and instructions as SORENO may promulgate.
 - 2.1.6 Participate and complete all mandatory training as required by SORENO from time to time.
 - 2.1.7 Notify SORENO in writing within five (5) calendar days of any change to their information, now and in the future, provided on applications, on the Signature Page, in any agreements and/or documents.
- 2.2 The Wholesaler agrees to sell the Products only to B2B Clients and not to any End Users, prohibited third parties or through auction sales.
- 2.3 Where applicable, the Wholesaler may be prohibited from selling certain Products below the minimum retail price guidelines set by SORENO, which are subject to change from time to time.

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- 2.4 The Wholesaler shall satisfy itself that the Products are fit and suitable for the purpose for which they are acquired and SORENO makes no express or implied warranty or representation as to the quality or suitability of such Products.
 - 2.5 The Wholesaler accepts all risk and responsibility for consequences arising from the use of the Products, whether alone or in combination with other products or services from SORENO or others.
 - 2.6 The Wholesaler agrees that SORENO may, from time to time, amend, add to or repeal these terms and conditions or may substitute any fresh terms and conditions by written notice to the Wholesaler. Such amendment, addition or substitution shall be binding on the Wholesaler for all orders received and all sales made after the date of delivery of the written notice.
 - 2.7 Except as otherwise expressly provided herein or agreed to in writing by SORENO, all of the costs or expenses imposed or incurred by the Wholesaler relating to the order or sale of the Products, such as shipping, handling, insurance, brokerage fees, taxes, customs, and other governmental charges will be borne by the Wholesaler.
 - 2.8 Upon receipt of the order from SORENO, the Wholesaler shall immediately and carefully inspect all Products and verify the accuracy of the invoice. If no issue is reported to SORENO at time of order delivery, the order is deemed to be complete and accurate and all Products are deemed to be free from any defect or damage and no further claim in relation to the order will be allowed.
 - 2.9 The Wholesaler is required to report to SORENO and file a claim on any damage or defect of the Product or any discrepancy with the order. The claim shall provide detailed description of the issue and include all necessary supporting proofs, such as the order number, any documentation and pictures of the Product, etc. The Wholesaler is required to cooperate with SORENO to verify, inspect and/or investigate the validity of such claim at the Wholesaler's premises. SORENO is allowed five (5) calendar days to rectify the order and provide a resolution, at its sole discretion.
 - 2.10 The Wholesaler may not reverse engineer, disassemble, modify or redesign any Product or component part thereof, or use any Product for any purpose other than that for which it is intended, or integrate any Product or component part thereof with any other equipment. Any such actions will render the warranty of the Product null and void.
 - 2.11 The Wholesaler agrees to maintain a record of the location of all Products sold, including the model and serial number of each Product, and the name, address, phone number, etc. of the B2B Clients and to make that information available at no cost to SORENO, for the purpose of, including, but not limited to, recall, repair, service or serving safety notices.
 - 2.12 The Wholesaler shall be solely responsible for obtaining all necessary permits, licences and registrations under and for compliance with all legislation, regulations, by-laws or rules having the force of law in connection with handling, operation, servicing and disposal of the Products unless such compliance is prohibited by law or would cause SORENO to incur financial detriment.
 - 2.13 The Wholesaler shall secure and carry as a minimum, the following insurance coverage:
 - a) General Liability Insurance
 - i) For any one occurrence, the limit of \$5,000,000 for injuries including accidental death.
 - ii) For any one occurrence, the limit of \$5,000,000 for property damages liability.
 - b) Workers' Compensation Insurance in an amount and manner as required by the laws of the Province in which the Wholesaler operates its business.

3. TERM

- 3.1 This Agreement is effective as of the Effective Date set forth on the Signature Page and shall remain in effect until the end of the calendar year (December 31), and shall thereafter automatically renew on a year-to-year basis, unless either Party terminates it with sixty (60) calendar days prior written notice delivered to the other Party, or unless earlier terminated in accordance with the other provisions herein.

4. PRICING, ORDERS AND MINIMUM PURCHASES

- 4.1 SORENO will provide the Wholesaler with Wholesale Pricing, which may be amended from time to time and subject

to change without notice. The Wholesaler shall check with SORENO to obtain the most up-to-date pricing. SORENO may add or eliminate Products offered for sale or change the model or specifications on any Products without notice and without liability to the Wholesaler or any parties.

- 4.2 By placing an order, the Wholesaler will be deemed to have accepted SORENO's standard Terms and Conditions of Sale and Policies in effect at the time whether the applicable order is accepted or rejected by SORENO.
- 4.3 All special orders are final sale and cannot be exchanged or returned. Unless the Product is defective or the return is a direct result of an error by SORENO, all returned Products are subject to a 25% restocking fee of the purchase price paid, less applicable shipping and handling fees, plus any applicable sales tax, which the net amount would be applied through a total refund or credit.
- 4.4 SORENO may, from time to time, include minimum reorder fees and minimum annual purchase amounts by written notification to the Wholesaler. SORENO reserves the right to limit, accept, reject or cancel any order, at its sole discretion.
- 4.5 Product pricing to be paid by the Wholesaler is subject to applicable taxes, shipping fees, handling fees, customs, duties, levies, and administrative charges.
- 4.6 SORENO reserves the right to vary pricing on the order in the event of any clerical or technical error.

5. PAYMENT TERMS AND PAYMENT SCHEDULE

- 5.1 Payment shall be made in any method agreed between the Wholesaler and SORENO, and is due immediately on or before the Wholesaler receives the Product.
- 5.2 An administration fee of \$100.00 will be added if any payment provided by the Wholesaler is returned due to Non-Sufficient Fund (NSF) or rejected for any reasons by SORENO's financial institution.
- 5.3 Any unpaid balance on the Wholesaler's account by the due date will incur a late payment interest charge of 3% per month, calculated and charged on a daily basis until payment is made in full to SORENO. Payment is not deemed as made until cleared and recognized by SORENO's financial institution.
- 5.4 SORENO may assign unpaid and unsettled Wholesaler account to any credit management organization or collection agency engaged for debt recovery at any time. All costs incurred by the Wholesaler as a result of a default, including, but not limited to, administration charges, debt collection costs and legal costs shall be payable by the Wholesaler in addition to any unpaid balance.
- 5.5 When and if the Wholesaler applies and qualifies for additional credit terms, the Wholesaler shall sign and agree to be bound by other additional Credit Agreement as supplement to this Agreement. No credit terms will be allowed unless there is an additional signed Credit Agreement.
- 5.6 Clerical errors and omissions shall be subject to correction by SORENO and payment by the Wholesaler.
- 5.7 All payments are subject to applicable legislation and shall be made in accordance with the provisions of this Agreement and the provisions of any applicable legislation.

6. WARRANTY

- 6.1 For any Products that include manufacturers' warranties, SORENO will attach such warranties with the Products and coordinate with any warranty claims. Most manufacturers' warranties cover defects in materials and factory workmanship under normal use following the specified servicing schedule and in accordance with the warranty terms and conditions, and, at the option of the manufacturers, they shall repair or replace defective parts without charge. SORENO reserves the right, at its sole discretion, to provide coordination for any warranty claims. For any Products that are discontinued but covered under the warranty claim, SORENO and the manufacturers reserve their right to replace the Product and provide a complete replacement or offer a replacement price to be applied as a credit towards the purchase of a new product by SORENO in place of the repair parts. The credit amount, at SORENO's sole discretion, shall be determined based on the Product's age, availability and the market condition at that time. If a replacement is provided, the warranty period for the complete replacement Product will be limited to the remainder of the original warranty term. Warranty will not cover any accessories, auxiliary parts or installation.
- 6.2 Product warranty shall start from the date of the initial installation by the Wholesaler's B2B Clients at the End

User's premises, against any materials or manufacturing defects, with the exception of, including, but not limited to, normal wear and tear, abuse, lack of maintenance, negligence, accident, fire, flood, improper use, improper storage, unintended use, unauthorized modification, etc. Warranty coverage status is subject to the determination by SORENO or the manufacturer, at its sole discretion.

- 6.3 For a Product to be covered under SORENO's warranty, it needs to be properly installed at the End User's premises by the Wholesaler's B2B Clients; and such B2B Clients or their End Users have to properly follow through the registration process and register such Product within sixty (60) calendar days after initial installation. SORENO will not accept any claims unless the Product is properly registered in accordance with the Registration Process prior to any related parties filing a claim following the Claims Procedure specified by SORENO.
- 6.4 The Wholesaler and its B2B Clients agree to return all parts replaced under warranty to the location where the order was initially picked up from, upon SORENO's request.
- 6.5 The Wholesaler and its B2B Clients are responsible for the delivery and return shipping costs on all applicable warranty parts.
- 6.6 SORENO may assign or subcontract any part of any service to be performed in relation to the Products.
- 6.7 Except as expressly provided in this Agreement, SORENO makes no other warranty, express or implied, and hereby disclaims all implied warranty, including any warranty of merchantability and warranty of fitness for any particular purpose.
- 6.8 Please consult SORENO for a complete and up-to-date list of Product warranty.
- 6.9 SORENO reserves the right to making the final decision on all warranty claims and SORENO will be the final arbitrator in interpreting and determining the extent, validity and remedy of the warranty claim and whether to accept or reject such claim.

7. PROMOTIONAL INFORMATION

- 7.1 SORENO will provide the Wholesaler with reasonable quantities of standard information and marketing materials related to the Products. Upon SORENO's request, the Wholesaler will, in a timely manner, return all manuals, product information, letters, and similar materials provided to the Wholesaler by SORENO. SORENO reserves the right to review and approve the publication of any promotional materials developed by the Wholesaler prior to their use.
- 7.2 SORENO may, at its sole discretion, publish a list of SORENO's Wholesalers on its websites, online forums and social media in whatever way it is deemed most suitable to promote the Wholesaler or Products.

8. TERMINATION

- 8.1 Either Party may terminate this Agreement, with or without cause, by giving written notice to the other Party sixty (60) calendar days in advance.
- 8.2 SORENO may immediately and unilaterally terminate this Agreement, at SORENO's sole discretion:
 - a) With notice, if the Wholesaler is deemed to have materially breached any term of this Agreement.
 - b) With notice, if the Wholesaler is deemed to have failed to perform its obligations under this Agreement.
 - c) With notice, if the Wholesaler is deemed to have failed to make payments on time.
 - d) With notice, if SORENO considers the Wholesaler's credit to be unsatisfactory.
 - e) With notice, if SORENO has reason to believe that the Wholesaler may default or become non-compliant.
 - f) Without notice, if the Wholesaler is deemed to have ceased to conduct business in the normal course; becomes insolvent; makes a general assignment for the benefit of creditors; suffers or permits the appointment of a receiver for its business or assets; commits any act of bankruptcy or any act which would render it liable to be wound up; or avails itself of or becomes subject to any proceeding under any Bankruptcy Act or any other statute relating to insolvency or the protection of rights of creditors.
- 8.3 In the event that this Agreement is terminated for any reason whatsoever, all rights granted or inferred by SORENO to the Wholesaler shall end and the following procedures shall apply:

- a) The Wholesaler shall immediately cease the use of all information, licences and permissions by SORENO and return all originals and copies of program manuals and binders, advertising materials and any other information which SORENO has provided to the Wholesaler pursuant to this Agreement.
- b) The Wholesaler will have ten (10) calendar days to remove from its premises and vehicles, and to discontinue the use of any materials such as signs, sales promotional materials, labels, trade names, Trademarks, copyrights, documentation, etc. supplied by, provided by or belonged to SORENO or displaying SORENO and its Products. In the event that the Wholesaler fails to remove the exterior signs within ten (10) calendar days, SORENO shall have the right to repossess such signs at the Wholesaler's expense, regardless of where those signs are located.
- c) The Wholesaler shall pay all unpaid balance in accordance with the Payment Terms and Schedule.

9. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and each Party submits to the exclusive jurisdiction of Ontario courts in any proceeding related to this Agreement. In the event of a dispute, controversy or claim arising out of or relating to this Agreement, including any question regarding its existence, interpretation, validity, breach or termination created by it, the Parties agree to meet to first pursue resolution through negotiation or other appropriate dispute resolution process. If the dispute is not resolved within a reasonable period, then any and all outstanding issues may be submitted to mediation in accordance with any statutory rules of mediation. If mediation is not successful in resolving the entire dispute or is unavailable, any outstanding issues will be submitted to final and binding arbitration before a single arbitrator in accordance with the laws of the Province of Ontario. The arbitrator's award will be final, and judgment may be entered upon it by any court having jurisdiction within the Province of Ontario.

10. NOTICES AND OTHER COMMUNICATIONS

SORENO may update its terms and conditions from time to time by notice to the Wholesaler. Any notice, request, consent, demand, or other communications given or required to be given which provides a reliable proof of delivery is validly given to such Receiving Party upon the date of delivery to the address, electronic email address, phone number or facsimile number of the Receiving Party as it appears in this section, or to the last-known address, electronic mail address, phone number or facsimile number or such other street address, electronic mail address, phone number or facsimile number as the Parties may from time to time direct in writing: (a) if sent by email, at the time shown on the proof of delivery; (b) if sent by fax, at the time shown on the confirmation of transmission; or (c) in the case of courier or personal delivery, when delivered; provided that in each case where delivery occurs after 5 PM, service will be deemed to occur at 9 AM on the following business day. The communication information of the Parties is set forth below:

To SORENO:

Soreno HVAC Inc.	Phone:	1 (866) 721-4822
7030 Woodbine Avenue, Suite 500	Email:	Info@SorenoHVAC.com
Markham, Ontario L3R 6G2	Contact:	Legal Department

To Wholesaler: See Wholesaler's contact information on the **Signature Page** attached hereto.

11. AGREE TO TERMS AND CONDITIONS

BY CHECKING THIS BOX, you, the Wholesaler, acknowledge that you have read and agreed to the terms and conditions in this Agreement including *Schedule "A" - Additional Provisions* and subsequent amendments from time to time with notice forming part of this Wholesaler Agreement.

[SIGNATURE PAGE FOLLOWS]

WHOLESALE AGREEMENT SIGNATURE PAGE

NOTE: This Agreement Is Not Valid Unless Signed By The Parties

IN WITNESS WHEREOF, the Parties hereto have executed this Wholesale Distribution Agreement on this _____ day of _____, 20_____.

Wholesaler:

Legal Name of Business: _____

Trade Name of Business (If applicable): _____

Contact Person: _____ Phone No.: _____

Email Address (For Electronic Notice): _____

Business Address (For Notice): _____

To Wholesaler: By signing below, you agree to the terms and conditions as set out in this Agreement.

Per: _____ Date: _____ (Month/Day/Year)

Print Name: _____ Title: _____

Per: _____ Date: _____ (Month/Day/Year)

Print Name: _____ Title: _____

I/We have authority to bind the corporation.

Soreno HVAC Inc.:

Per: _____ Date: _____ (Month/Day/Year)

Print Name: _____ Title: _____

Wholesale Distribution Agreement

Schedule “A” - Additional Provisions

1. CONFIDENTIAL INFORMATION AND TRADEMARKS

- 1.1 The Wholesaler acknowledges that in the course of its obligations pursuant to this Agreement, it may obtain, acquire or learn certain information specifically marked as confidential or proprietary, including, without limitation, Wholesaler pricing; know-how, SORENO’s methods of doing business; trade secrets; trademarks, Product information; operational, proprietary and technical information and documentation; the identity and personal information of existing and prospective Wholesalers, B2B Clients and End Users which are deemed as “**Confidential Information**” and will be and remain the exclusive property of SORENO at all times. Except with SORENO’s prior written consent, neither the Wholesaler nor any of its officers, directors, employees, or agents may:
 - a) disclose any Confidential Information to any person or company, unless required by law; or
 - b) use any Confidential Information except as necessary to fulfill its obligations herein.
- 1.2 The Wholesaler may disclose Confidential Information to its directors, officers, employees, and agents who have a need to know such Confidential Information, subject to a non-disclosure agreement with provisions at least as restrictive as those set in this Agreement.
- 1.3 In addition to all other remedies available under this Agreement, at law or in equity, the Wholesaler acknowledges that if a breach of this Section shall cause SORENO irreparable harm not fully compensable by monetary damages, SORENO shall be entitled to immediate injunctive relief, including specific performance, to enforce such obligations. The Wholesaler cannot raise the defense that there is an adequate remedy at law.
- 1.4 Upon the expiration or termination of this Agreement, the Wholesaler will promptly deliver to SORENO all sales literature in its possession then and all written materials which contain Confidential Information, without retaining copies of them.
- 1.5 The Wholesaler agrees that all such Confidential Information communicated to it by or through SORENO, whether before or after the date of this Agreement, shall not be disclosed without the prior written consent of SORENO, unless the Confidential Information is:
 - a) already known to the recipient of such Confidential Information (the “**Recipient**”) at the time of its disclosure;
 - b) already in the public domain or becomes publicly known through no fault of the Wholesaler;
 - c) received from a third party without similar restrictions and without breach of this Agreement;
 - d) independently developed by the Recipient; or
 - e) lawfully required to be disclosed to any government agency or is otherwise required to be disclosed by law.
- 1.6 The Products may bear certain trademarks, trade names, trade devices, logos, codes or symbols of the manufacturers (“**Trademarks**”) with licensing rights granted to SORENO. SORENO hereby grants to the Wholesaler such non-exclusive, royalty-free sublicense rights to use the Trademarks, unless prohibited by law, for the purpose of carrying out the activities described in this Agreement. The Wholesaler will clearly identify the Products as products of SORENO or that of the manufacturers and will sell, market, promote, advertise, and describe the Products under their Trademarks, model numbers, and other designations and terminology as set by SORENO, and the Wholesaler will not conduct business under any of those Trademarks or derivatives or variations thereof.
- 1.7 SORENO may register and protect additional Trademarks and the Wholesaler agrees to fully cooperate with and assist SORENO in registering the Trademarks as an authorized user of the Trademarks with any governmental agency that SORENO deems appropriate and necessary; and in cancelling such registration upon demand by SORENO or upon termination or expiration of this Agreement. The Wholesaler shall not attempt to register any of those Trademarks.
- 1.8 In the event of any infringement or potential infringement of the Trademarks, the Wholesaler will immediately notify SORENO. In no event will the Wholesaler take any action with respect to such infringement or challenge without SORENO’s prior written consent. SORENO will have the right, but not the obligation, at any time to initiate or assume control of the prosecution of any infringement of, or defense of any challenge to, any of the Trademarks. If any action or proceeding to terminate any infringement or defend any challenge to the Trademarks in the Wholesaler’s sales area is initiated or assumed by SORENO, the Wholesaler will cooperate with and assist SORENO in the commencement, execution, prosecution and resolution of such action. The Wholesaler hereby waives, releases and holds SORENO harmless from any liability or obligation whatsoever with respect to any infringement or alleged infringement by the Wholesaler of intellectual property rights of third parties in connection with or as a result of the use of the Trademarks.

Wholesale Distribution Agreement

Schedule “A” - Additional Provisions

SORENO

Page 2 of 3

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- 1.9 Any and all goodwill arising from the Wholesaler’s use of the Trademarks will inure solely and exclusively to SORENO’s benefit.
 - 1.10 The Wholesaler’s obligations under this Section will survive the expiration or termination of this Agreement, and will continue until such time other than by reason of a breach of this Agreement.

2. EFFECT OF TERMINATION

- 2.1 The Parties agree that any termination of this Agreement in accordance with the formalities specified herein will not constitute an unfair or abusive termination or create any liability not set forth in this Agreement for the terminating party to the terminated party.
- 2.2 Termination of this Agreement by either Party will not affect any rights or obligations vested in or intended by the Parties to take effect and survive until expiration or termination, unless otherwise stated in this Agreement.
- 2.3 The right of either Party to terminate is not an exclusive remedy, and either Party is entitled to damages for breach of this Agreement, alternatively or cumulatively, to an order requiring performance of the obligations of this Agreement, or to any other remedy available under applicable law.
- 2.4 The Wholesaler grants SORENO an option, upon expiration or termination of this Agreement, to purchase all or part of its inventory of Products held by the Wholesaler at the time it receives notice from SORENO to exercise such option. SORENO shall deliver such notice to the Wholesaler within ten (10) calendar days after such expiration or termination. The Wholesaler agrees to allow SORENO to access its inventory of Products for inspection prior to SORENO exercising this option and further agrees not to sell any of its inventory of Products other than to its B2B Clients at set prices not lower than the minimum in the ordinary course of business until SORENO’s option is exercised or expired. The pricing of the Products will be determined as the lesser of the fair market value at wholesale, or at Wholesaler pricing for such Products.
- 2.5 SORENO is not liable to the Wholesaler for compensation or damages of any kind, including, without limitation, loss of present or prospective profits on present sales or prospective sales, investments or goodwill.

3. RELATIONSHIP OF PARTIES AND INDEMNIFICATION

- 3.1 The relationship between the Parties established by this Agreement is that SORENO is the distributor and the Wholesaler is a merchant in the business of selling the Products to its B2B Clients.
- 3.2 The Wholesaler is not an agent or employee of SORENO, and accordingly has no right or authority to enter into any agreements in the name of or for the account of SORENO, nor to assume or create any obligation or liability of any kind, express or implied, on behalf of SORENO.
- 3.3 Subject to the rights granted to and the obligations undertaken by it pursuant to this Agreement, the Wholesaler will conduct its business at its own initiative, responsibility and expense. The Wholesaler will indemnify and hold SORENO, and SORENO’s officers, directors, and employees harmless against any and all claims, losses, costs, expenses, liabilities, and damages arising directly or indirectly from, as a result of, or in connection with the Wholesaler’s operations pursuant to this Agreement, as well as SORENO’s costs, including attorneys’ fees, in defending against them. SORENO, in the event of any property damage or injury, accepts no responsibility of the Products supplied to the Wholesaler with the understanding that the Wholesaler and its personnel have the appropriate licences, training, experience, qualification and insurance to perform all sales and related services safely and legally to its B2B Clients and to ensure the same from its B2B Clients to their End Users.
- 3.4 The Wholesaler shall be liable to SORENO for lost profits of business, direct, indirect, consequential or punitive damages, whether based in contract or tort (including negligence, strict liability or otherwise), and whether or not advised of the possibility of such damages.
- 3.5 SORENO shall not be liable for any loss or damage of any kind whatsoever, arising from the supply of Products to the Wholesaler, including consequential loss whether suffered or incurred by the Wholesaler or another person and whether in contract, warranty, tort (including negligence) or otherwise and irrespective of whether such loss or damage arises directly or indirectly from Products and/or services provided by SORENO to the Wholesaler.
- 3.6 The total liability of SORENO, whether in contract, warranty, tort (including negligence) or otherwise, will not exceed the value of the Products. This limitation of liability will apply to the fullest extent as permitted by law and will survive cancellation or termination of this Agreement.
- 3.7 If any statute or legislation may imply warranty or condition or impose obligation upon SORENO which cannot be excluded or modified by law (or which can only to a limited extent by law), any such implied warranty, condition or

Wholesale Distribution Agreement

Schedule "A" - Additional Provisions

SORENO

Page 3 of 3

obligation imposed on SORENO shall be excluded or only applied to the minimum extent required by law.

4. FORCE MAJEURE

Notwithstanding any provision contained herein to the contrary, neither Party is liable for delay in performance or for non-performance during any period in which such performance is prevented or hindered by any cause beyond the Party's reasonable control, including, but not limited to, fire, flood, war or act of war, labour disputes, interruption of transportation, accident, explosion, riot or civil commotion, or other act of nature or other cause beyond their control. If any force majeure events or conditions prevent the performance of either Party for a period of over sixty (60) calendar days, either Party may terminate this Agreement by delivering written notice to the other.

5. MISCELLANEOUS AND GENERAL PROVISIONS

- 5.1 Time is of the essence in this Agreement.
- 5.2 Product description such as specifications, illustrations, drawings, images, particulars, dimensions, performance data and other information made available by SORENO are intended to represent no more than a general illustration of the Product and its features and does not constitute a warranty or representation that the Product will conform with the same. The Wholesaler bears the responsibility to confirm the accuracy of such Product description and the suitability of its use.
- 5.3 This Agreement constitutes the entire agreement between the Parties and supersedes any previous express or implied agreement or representation with respect to the matters set forth in this Agreement.
- 5.4 SORENO may update its terms and conditions from time to time by notice to the Wholesaler and the Wholesaler is deemed to have accepted such terms and conditions if no rejection or opt-out request is received by SORENO within three (3) calendar days.
- 5.5 No alteration or waiver of any of the terms and conditions under this Agreement will be binding upon SORENO unless made in writing over the signature of SORENO or its representative.
- 5.6 Failure by SORENO to enforce any of the terms, provisions or conditions under this Agreement shall not be deemed a waiver of any of the rights or obligations SORENO has under this Agreement.
- 5.7 Any reference to any of the Parties includes that Party's executors, administrators or permitted assigns, or if a company, its successors or permitted assigns or both. Any reference to more than one person binds and benefits those persons jointly and severally.
- 5.8 The rights granted to the Wholesaler under this Agreement are not assignable without the prior written consent of SORENO. Any attempted assignment without the consent of SORENO is void ab initio. SORENO may assign its rights and obligations under this Agreement without the prior written consent of the Wholesaler.
- 5.9 This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective representatives, successors and permitted assigns.
- 5.10 This Agreement may be executed in any number of counterparts and each counterpart constitutes an original instrument, but all such separate counterparts constitute only one and the same instrument.
- 5.11 Each of the Parties hereby acknowledges that it has been afforded the opportunity to obtain independent legal advice and confirms that it understands the nature and consequences of this Agreement and all additional and supplementary agreements and documents.
- 5.12 If any provision in this Agreement, as amended from time to time, shall be deemed invalid, illegal or unenforceable, that provision is severed from this Agreement and all other provisions shall remain in force.
- 5.13 Headings are inserted for the convenience of the Parties only and do not in any way limit or amplify the terms and provisions of this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa. Words in the neuter mean and include the masculine and feminine and vice versa.
- 5.14 In no event shall SORENO be liable for any incidental, consequential, direct, indirect, punitive or special damages arising from any claims out of this Agreement.