

STM Channel Partner Agreement

This **Channel Partner Agreement** (the “**Agreement**”) is effective as of the Effective Date (as defined herein) by and between **Sesh Technologies Manufacturing, Inc.** (“STM”, “STM CANNA”), having its principal place of business located at 5517 East Trent Ave, Spokane, Washington 99212, and its subsidiaries and affiliates (collectively “**STM CANNA**”), and the CP (“**Channel Partner**”), both of whom agree to be bound by this Agreement.

STM CANNA and Channel Partner hereinafter collectively referred to as the “**Parties**” and each individually as the “**Party**”.

WHEREAS, STM CANNA wishes to develop a customer-oriented sales, support, and service network of Channel Partners.

WHEREAS, STM CANNA has developed the STM Branded Processing/Ancillary Equipment and holds ownership of all intellectual property rights in such products;

WHEREAS, STM CANNA desires to authorize Channel Partner to be a non-exclusive channel partner to market certain products for sale;

WHEREAS, Channel Partner has agreed to accept such authorization upon, and subject to, the terms and conditions of this Agreement;

WHEREAS, STM CANNA and the Channel Partner desire to enter into an arrangement whereby STM and the Channel Partner will share revenue realized from the sale of the Products due to the efforts of the Channel Partner according to the terms and conditions herein; and

NOW, THEREFORE, in consideration of the premises, representations, and mutual covenants hereinafter contained, STM CANNA and Channel Partner agree as follows:

1. STM CANNA Partnership Program.

1.1 STM CANNA currently has four partnership classifications (referred to as the “**Channel Partner Program**”) of channel partners: (i.) Bronze, (ii.) Silver, (iii.) Gold and (iv.) Distributor. The classification of any given channel partner depends on the business model and business integration of such channel partner. A description of the four types of classifications is included in the attached **Schedule 1**.

1.2 Channel Partner shall initially be classified in one of these four classifications under Section 1.1. as mutually agreed upon by the Parties. The Parties may mutually amend the classification of Channel Partner via a written amendment signed by both Parties.

2. Scope of the Agreement.

2.1 STM CANNA hereby authorizes Channel Partner to be a channel partner of STM CANNA and hereby appoints Channel Partner to sell on its own account, in its own name, and on its own responsibility and liability the Products listed (such products hereinafter collectively referred to as the “**Products**”) within the provided online portal for channel partners (the “**STM Partner Portal**”) and to provide any applicable services to customers in the areas of sales, installation, support, service, maintenance, repair and/or engineering and support (such services hereinafter collectively referred to as the “**Services**”) on a non-exclusive basis for end customers. Channel Partner hereby agrees and acknowledges that such authorization and appointment as a channel partner is non-exclusive and that the Products may be sold or provided to end customers by STM CANNA or other channel partners of STM CANNA within any territory. STM CANNA reserves the right to appoint other Channel Partners within the same sales area at its own discretion.

2.2 STM CANNA may amend products qualified for sale by Channel Partner and the Products and/or Services set forth therein at any time and in the sole discretion of STM CANNA.

2.3 It is understood between the Parties that Channel Partner (i) shall be independent from STM CANNA and (ii) shall not be an agent or representative of, or in any way be entitled to act on behalf or in the name of, STM CANNA in connection with the sale of the Products or the rendering of Services. Neither Party shall have authority to make any statements, representations or commitments of any kind, nor to take any action which shall be binding on the other Party, except as may be expressly provided for herein or authorized in writing.

2.4 Except as expressly provided in this Agreement, (i) Channel Partner agrees and acknowledges that any and all Products and services provided by STM CANNA shall be governed by, and in accordance with, the General Terms and Conditions of Sale of STM CANNA (the “**Commercial Terms**”), a copy of which is attached as **Schedule 3** and incorporated herein by reference, and (ii) the applicable Commercial Terms of STM CANNA shall apply to all transactions between STM CANNA and Channel Partner or its customers. In the case of any conflicting terms or conditions between this Agreement and the Commercial Terms, the terms of this Agreement shall govern. STM CANNA shall be entitled to amend **Schedule 3** and the Commercial Terms therein, at any time and in the sole discretion of STM CANNA, during the term of this Agreement. STM CANNA shall notify Channel Partner of any changes or amendment to **Schedule 3**. Upon prior written approval and acceptance by STM CANNA, the Parties may mutually agree to deviate from the Commercial Terms.

2.5 STM CANNA does not acknowledge or agree to any general terms and conditions of Channel Partner, and the Parties agree that the Commercial Terms of STM CANNA shall have priority over, supersede, and/or replace any general terms and conditions of the Channel Partner. Even if a purchase contract is performed without reservation in the knowledge of conflicting or deviating terms and conditions of Channel Partner, this shall not constitute the consent of STM CANNA to their application.

3. **Services/Support from STM CANNA.** STM CANNA shall answer, as soon as reasonably practicable, any technical queries concerning the Products which are made by Channel Partner or its customers and which are otherwise properly made by Channel Partner or its customers in accordance with the standard business procedures of STM CANNA for making such technical queries.

4. **Supply of the Products and Services**

4.1 Channel Partner shall submit any and all Product orders in accordance with the standard business procedures of STM CANNA for placing such Product orders. STM CANNA shall acknowledge all Product orders properly submitted by Channel Partner during the term of this Agreement. The acknowledgment from STM CANNA of an order shall indicate acceptance of such order and the anticipated date of shipment thereof or rejection of such order. STM CANNA may, in the sole discretion of STM CANNA and without liability to Channel Partner, reject any order that (i) STM CANNA cannot reasonably supply as requested, (ii) STM CANNA believes violates the terms of this Agreement, the Commercial Terms, and/or applicable law, (iii) is not properly submitted to STM CANNA in accordance with the standard business procedures of STM CANNA for placing such orders, or (iv) is submitted at a time that STM CANNA believes Channel Partner to be in breach of this Agreement.

4.2 Channel Partner shall, in respect to each Product order submitted to STM CANNA, be responsible for:

(i) ensuring the accuracy of the order;

(ii) providing STM CANNA with any and all information which is necessary in order to enable STM CANNA to fulfill the order; and

(iii) to the extent the Products are being purchased by Channel Partner on behalf of a customer of Channel Partner, refraining from modifying the Products in any way so that they no longer comply with the labeling, marketing and other applicable legal requirements.

5. **Shipping; Invoicing; Payment**

5.1 The shipment of all Products to Channel Partner shall be F.O.B. STM CANNA location of shipment and STM CANNA may, in its discretion, ship from any of its locations within the United States. Accordingly, Channel Partner shall, in addition to the purchase price and any applicable drop-shipping fees, be liable for arranging and paying all costs of transport and insurance with respect to the Products. At the time and location of the shipment of Products, Channel Partner assumes all risk, responsibility, and liability for any loss, damage, or destruction with respect to the Products. Where STM CANNA otherwise agrees in writing to arrange for transport and/or insurance of a Product, the Channel Partner shall reimburse to STM CANNA its full costs and expenses for such transportation and/or insurance, and STM CANNA shall not be liable to Channel Partner for any loss, damage, or destruction with respect to the Products.

5.2 The list prices and Minimum Advertised Pricing (MAP) for all Products to be supplied under this Agreement shall be available on the STM Partner Portal.

5.3 STM CANNA shall be entitled to review and adjust the list prices for any Product or Service at any time and in the absolute discretion of STM CANNA. Any list price change pursuant to this Section shall apply to all orders for Products or Services received by STM CANNA after written notice to Channel Partner of the list price change has occurred.

5.4 All list prices are exclusive of any applicable value added or any other sales tax for which the Channel Partner shall be additionally liable.

5.5 Unless otherwise agreed to by the Parties, Channel Partner shall pay to STM CANNA any invoiced amount(s) in full, without any deduction, within seven (7) days of the invoice date before the invoice expires. The processing of each order will begin explicitly only after receipt of invoice payment, with the payment(s) being made in full or based on terms mutually agreed upon at the time of invoicing.

6. Transfer of Risk of Loss and Title

6.1 The risk of loss or damage of Products sold to Channel Partner shall pass from STM CANNA to the Channel Partner in accordance with Section 5.1 of this Agreement.

6.2 Notwithstanding the risk of loss provisions of Section 5.1 and Section 6.1, title to Products sold to Channel Partner shall pass from STM CANNA to the Channel Partner on the later of (i) delivery and acceptance of the Products by Channel Partner, or (ii) payment, in full, of the Products.

7. Marketing of the Products

7.1 Channel Partner shall use its best efforts (i) to promote the sale of the Products and/or Services and (ii) subject to compliance by STM CANNA with its obligations under Section 4.1 of this Agreement, to satisfy market demand for such Products and/or Services. Channel Partner shall take reasonable measures to safeguard the interests of STM CANNA as set forth in this Agreement. Channel Partner shall prominently advertise that it is an approved STM CANNA Channel Partner, or advertise such other designation as agreed to by the Parties. Subject to the review and approval of STM CANNA, Channel Partner hereby agrees to display the appropriate STM CANNA partner logo on its website within any product listing for marketing purposes.

7.2 In connection with the promotion and marketing of the Products and/or Services, the Channel Partner shall, at its own cost:

(i) make clear, in all dealings with customers and prospective customers, that it is acting as an independent provider of the Products or Services, and is not acting as an agent or representative of STM CANNA;

(ii) comply with any and all federal, state, and local statutes, rules, regulations, and ordinances relating to the advertisement, storage, delivery, sale, export, and installation of the Products or Services;

(iii) provide to STM CANNA, for prior formal written approval, draft copies of all sales or marketing materials, including press releases press invitations, catalogues, brochures, pamphlets, or manuals, used by the Channel Partner which otherwise include or relate to the Products or Services;

(iv) reasonably participate in all STM CANNA-related branding, promotions, and/or campaigns related to the Products or Services;

(v) maintain an active and suitably trained sales force and ensure that such sales force is continually trained with current technological developments relevant to the Products or Services;

- (vi) provide an adequate after-sales service for customers in relation to the Products, including general support and customer service;
- (vii) forward to STM CANNA any customer warranty and service requests relating to the Products and/or Services as soon as received;
- (viii) seek prior written approval from STM CANNA (with such approval not to be unreasonably withheld) in relation to any use of online content, including websites and promotional material, which relates to the Products or Services that were not directly provided by STM CANNA. Channel Partner shall comply with any brand guidelines submitted by STM CANNA from time to time. Upon the request of STM CANNA, Channel Partner shall use the standard platform, template or other formatting of STM CANNA in relation to the online content;
- (ix) not promote or sell the Products from any medium whose content, domain name, or other affiliation is likely to degrade, as determined by STM CANNA in its sole discretion, the reputation or goodwill of STM CANNA and its Products or Services;
- (x) seek prior written approval from STM CANNA in relation to any proposed uses of copyrighted images or content owned or held by STM CANNA;
- (xi) require all customers to enter into an end-user agreement reasonably satisfactory to STM Canna; and
- (xii) not use any images to promote the Products or Services, other than those images supplied or otherwise approved by STM CANNA.

7.3 Channel Partner shall provide, upon reasonable request, project and customer-related information to STM CANNA for projects undertaken by both the Channel Partner and STM CANNA relating to the Products and/or Services.

8. Partner Manager; Reporting and Information Exchange; Other Benefits

8.1 Channel Partner and STM CANNA shall enter into a “STM CANNA Channel Partner Business Plan” (the “**Business Plan**”), in the form attached hereto as **Schedule 2**, for each calendar year during the term of this Agreement. STM CANNA may amend the form of the Business Plan as set forth in **Schedule 2** from time to time in its sole discretion.

8.2 Upon execution of this Agreement, Channel Partner and STM CANNA shall enter into a Business Plan for the calendar year in which this Agreement was initially executed, if applicable to Channel Partner. Thereafter, Channel Partner and STM CANNA shall enter into a new Business Plan, as applicable, for each subsequent calendar year no later than thirty (30) days after the start of such calendar year (the “**Business Plan Deadline**”). Each executed Business Plan between Channel Partner and STM CANNA shall be attached to this Agreement and incorporated herein.

8.3 STM CANNA shall designate a “**STM CANNA Partner Manager**” to Channel Partner. The STM CANNA Partner Manager will act as the primary point of contact between STM CANNA and Channel Partner and otherwise help develop the business relationship between Channel Partner and STM CANNA. STM CANNA may change the designated STM CANNA Partner Manager for Channel Partner at any time in the sole discretion of STM CANNA.

8.4 Channel Partner shall meet, either in person or in some other fashion as agreed to by STM CANNA, on a quarterly basis with its designated STM CANNA Partner Manager for a business review meeting. The quarterly business review meeting shall encompass reviewing the previous quarter results along with the expected performance for the upcoming quarters. The meeting will also provide the basis to discuss and plan joint marketing activities, assess current projects, set strategic actions, and further develop the relationship between the Parties.

8.5 By being a channel partner of STM CANNA, Channel Partner may be entitled to certain benefits, such as a percentage off MSRP on STM CANNA products and services, as set forth in **Schedule 1**, a copy of which is attached to this Agreement. Channel Partner agrees and acknowledges that the classifications, descriptions, and benefits set forth in **Schedule 1** are subject to modification, addition, and/or termination at any time during the term of this Agreement at the sole and absolute discretion of STM CANNA; provided, however, that STM CANNA shall provide any and all benefits to Channel Partner which are expressly provided in this Agreement in accordance with the terms and conditions set forth herein.

8.6 The Progressive Buying benefit (“**Progressive Buying**”) provides the Channel Partner the ability to progress to a higher membership classification in the **Channel Partner Program** by meeting certain minimum stated unit count sales and/or dollar amount sales, whichever is met first, within a rolling ninety (90) days as determined by the requirements as defined with **Schedule 1**. Upon having met the requirements detailed under a certain partnership classification within **Schedule 1**, Channel Partner is responsible for notifying STM CANNA and requesting the benefit be applied for the following rolling ninety (90) days. In determining whether Channel Partner has met the requirements to be eligible for Progressive Buying under any applicable classification within a given rolling ninety (90) days, STM CANNA shall calculate the total purchase price of all Applicable Purchases invoiced by STM CANNA and shipped in the given rolling ninety (90) days, and then compare such number to the applicable Progressive Buying requirements under each classification. Following both the given rolling ninety (90) days in which the Channel Partner met the requirements to become eligible to receive this benefit and the next rolling ninety (90) days in which Channel Partner received stated benefit, Channel Partner is entitled to continue to receive the applicable benefit until Channel Partner no longer maintains the requirements within a given rolling ninety (90) days. Should Channel Partner become eligible to receive the benefit in the final rolling ninety (90) days before the expiration of this agreement, STM CANNA shall roll-over the benefit into the next rolling ninety (90) days pending this agreement is renewed for an additional calendar year.

8.7 To the extent necessary for the handling of STM CANNA business, STM CANNA is entitled to store and process the data of Channel Partner in electronic form to the extent permitted by data protection laws; provided, however, that STM CANNA shall be subject to the confidentiality provisions of this Agreement and shall reasonably cooperate to take such additional actions and execute such further agreements as may be required by applicable data protection laws.

9. Sales Targets

9.1 For each Business Plan executed by Channel Partner and STM CANNA, if applicable, the Parties may negotiate in good faith and use their best efforts to mutually agree on a sales target for Channel Partner to achieve in the calendar year to which the Business Plan relates (the “**Sales Target**”). For the initial Business Plan between Channel Partner and STM CANNA, the Parties may negotiate a prorated Sales Target, which shall take into account the duration of the remaining calendar year. The Sales Target shall be stated as a dollar amount and/or a product unit count.

9.2 In order to assess whether Channel Partner has met or exceeded its Sales Target for a given calendar year, Channel Partner agrees to make available to STM CANNA and its authorized representatives such information as STM CANNA may reasonably require to make such assessment.

10. No General Exclusivity; Sale of Competitive Products

10.1 Channel Partner is not subject to any obligation not to offer competing products and may distribute similar products from other manufacturers. However, if STM CANNA specifically refers a customer and/or customer project to Channel Partner, then Channel Partner shall not offer competing products to such customers or projects. If the Channel Partner deems that one or more of the Products or Services is not suitable for the customer opportunity, then the Channel Partner shall promptly notify STM CANNA to discuss an alternative solution mutually agreeable to both Parties.

10.2 STM CANNA and its subsidiaries and affiliates may actively and passively distribute the Products and Services either on their own or through other channel partners, sales representatives, or agents both inside and outside of any applicable territory without any restrictions. STM CANNA shall not be restricted in any way from doing business with any third-party or making a third-party a channel partner of STM CANNA, even if such third-party is a direct competitor with Channel Partner.

11. Confidentiality & Mutual Non-Disclosure

11.1 “**Confidential Information** ” means, whether provided orally, in writing or electronically, and whether or not such information is expressly stated to be confidential or marked as such: (i) any knowledge, information, or data that is proprietary or confidential to a Party or its business, and (ii) any information that is disclosed by a Party to the other Party pursuant to or in connection with this Agreement, including but not limited to any and all customer lists, price pints, marketing plans and Business Plans executed between the Parties and the information contained therein or disclosed thereto. Unless otherwise provided in writing to the receiving Party, “**Confidential Information**” shall not refer to any promotional or marketing material relating to the Products and/or Services that is disclosed to a Party specifically for distribution or release to third-parties, including customers, vendors, or the public at large.

11.2 Except as provided by Section 11.4, the Parties shall, at all times during the term of this Agreement, and for a period of five (5) years after its termination:

- (a) keep all Confidential Information confidential and not disclose any Confidential Information to any third-party except to the officers, employees, consultants, or agents of the receiving Party who have a need to know the Confidential Information and who are otherwise under an obligation to keep such Confidential Information confidential;

- (b) not use any Confidential Information for any purpose other than for the performance of the obligations of the Party under this Agreement; and
- (c) not assist a third party in using any Confidential Information in any manner without prior written approval from STM CANNA.

Notwithstanding the foregoing, if any Confidential Information contains or is comprised of any trade secret (as defined under the Uniform Trade Secrets Act), then the receiving Party shall not disclose, or permit to be disclosed, such Confidential Information for a period of five (5) years or until such Confidential Information no longer contains or is comprised of a trade secret, whichever is later.

11.3 The Parties shall keep all Confidential Information strictly confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own Confidential Information. If a receiving Party makes copies of Confidential Information, then such copies shall also constitute Confidential Information. Neither Party shall reverse engineer, disassemble, or decompile any Confidential Information.

11.4 The Confidential Information disclosed by a Party shall remain confidential under the terms of this Agreement unless, and then only to the extent that:

- (a) It is established that the Confidential Information is in the public domain for reasons other than as a result of a breach of this Agreement by the receiving Party; or
- (b) The Confidential Information is supplied to the receiving Party by a third party as a matter of right and not in violation of any confidential relationship or obligation with the disclosing Party; or
- (c) The Confidential Information is in the possession of the receiving Party before the receipt from the disclosing Party, as evidenced by written documents or records of the receiving Party; or
- (d) The Confidential Information is required to be disclosed in a judicial or administrative proceeding pursuant to a court order by a court of competent jurisdiction, or is otherwise requested or required to be disclosed by law or regulation; provided, however, that the receiving Party shall promptly notify the disclosing Party of such disclosure, and, upon written request of the disclosing Party, shall cooperate in all reasonable respects to contest or limit such disclosure or otherwise obtain a protective order; or
- (e) Disclosure of the Confidential Information by the receiving Party is authorized in writing by the disclosing Party.

11.5 Each receiving Party shall, upon termination or conclusion of this Agreement, or at any earlier time upon the request of the disclosing Party, immediately return or destroy all Confidential Information received from the disclosing Party, and information developed therefrom and copies thereof, and retain none for its files.

11.6 Each Party shall be completely responsible for maintaining the secrecy and confidentiality of the Confidential Information conveyed to it by the other Party in accordance with the terms of this Agreement. Each Party shall be responsible in this regard for the actions and activities of all of its officers, employees or agents working with or otherwise having access to the Confidential Information received hereunder and shall take reasonable measures, including requiring the execution of appropriate confidentiality agreements, to protect against unauthorized use or disclosure of Confidential Information belonging to the other Party.

12. IP Rights/Trademarks

12.1 STM CANNA grants Channel Partner a limited, non-exclusive license during the term of this Agreement to advertise and market the Products with STM CANNA's trademarks, trade names, service marks, and logos, in accordance with such standards for use of its trademarks as may be established from time to time by STM CANNA. Such license may be modified or revoked by STM CANNA at any time and shall otherwise expire immediately upon the expiration or termination of this Agreement. All goodwill arising from Channel Partner's use of STM CANNA's trademarks shall inure solely to the benefit of STM CANNA. All advertisements and other promotional materials using STM CANNA's trademarks that are prepared by Channel Partner shall include an appropriate notice indicating that such trademarks are the property of STM CANNA. Channel Partner shall comply with any advertising and sales guidelines as STM CANNA may designate in writing from time to time. Channel Partner shall obtain STM CANNA's prior written approval before publishing any material that contains any STM CANNA trademarks. Channel Partner shall not remove, conceal or alter any such trademarks or add any additional trademarks without STM CANNA's prior written consent. Channel Partner acknowledges and agrees that this Agreement gives Channel Partner no rights in STM CANNA's trademarks. Channel Partner shall not register or attempt to invalidate or cancel any of STM CANNA's trademarks or any mark or name closely resembling them.

12.2 If Channel Partner becomes aware of any third-party infringement of the intellectual property rights of STM CANNA, then Channel Partner shall inform STM CANNA of such infringement immediately. Channel Partner shall cooperate with STM CANNA in relation to any such infringement and shall take all action reasonably requested by STM CANNA. If the infringement has not been caused directly or indirectly by the Channel Partner, then STM CANNA shall bear the costs of any action undertaken by Channel Partner requested by STM CANNA.

12.3 Channel Partner may not in its name obtain protection for or register trademarks, trade names or other designations of STM CANNA or such trademarks, trade names or other designations which are identical or similar to those of STM CANNA. Accordingly, Channel Partner is likewise not entitled to adopt and register the aforesaid intellectual property rights and/or designations as part of its business name or domain name or in the commercial register, any other public register or any other certification center. Channel Partner is prohibited from using the trademarks, trade names, symbols, advertising slogans, or other designations belonging to STM CANNA, except as otherwise provided in this Agreement or agreed to in writing by STM CANNA. Channel Partner agrees that it will not contest the intellectual property rights of STM CANNA, either directly or indirectly through a third-party.

12.4 Channel Partner may provide or be asked to provide thoughts, feedback and suggestions relating to STM CANNA's business, technology and/or the functionality thereof. Channel Partner agrees and acknowledges that STM CANNA owns any and all feedback and suggestions Channel Partner provides relating to STM CANNA's business, technology and/or the functionality thereof, and Channel Partner hereby assigns and transfers to STM CANNA any and all right, title and interest in such feedback and suggestions, along with any and all intellectual property rights relating thereto. Channel Partner agrees to sign and provide any and all documents and render any assistance that is reasonably necessary to obtain any patent protection, copyright registration or other protection that STM CANNA may seek for such feedback and/or suggestions provided by Channel Partner.

12.5 Except as expressly provided in this Agreement, Channel Partner shall not have any express or implied rights or license under any patent, invention, trade secret, trademark, copyright, domain name, or other designations or know-how owned or held by STM CANNA. All intellectual property rights relating to the Products and Services, existing now or in the future, including patents, copyrights, trademarks, and other know-how, shall be the property of STM CANNA.

13. Representations & Warranties

13.1 Each Party represents and warrants to the other Party that this Agreement has been duly executed and delivered, and constitutes the legal, valid, and binding obligations of such Party enforceable against such Party in accordance with its terms. Channel Partner further represents and warrants to STM CANNA that Channel Partner has obtained consent or otherwise possesses the right to transfer any data provided by Channel Partner to STM CANNA pursuant to Section 8.7.

13.2 To the extent that Channel Partner resells the Products to its customers, Channel Partner may assign, without modification, any warranties and representations relating to the Products given by STM CANNA to Channel Partner, to the extent that such warranties and representations are either set forth in the Commercial Terms or otherwise provided to Channel Partner in a writing signed by STM CANNA, to the customers of Channel Partner. However, Channel Partner shall be solely responsible for any and all additional warranties or representations given by Channel Partner to its customers as it relates to the Products and/or Services.

13.3 Except as set forth in this agreement, stm canna makes no representation or warranty of any kind whether express, implied (either in fact or by operation of law), or statutory, as to any matter whatsoever to the fullest extent allowed by law, including without limitation, warranties of merchantability, fitness for a particular purpose, quality, accuracy, non-infringement, and title.

14. Indemnification; Limitation of Liability

14.1 Channel Partner hereby agrees to defend, indemnify, and hold harmless STM CANNA and its officers, managers, members, employees, contractors, agents, affiliates, representatives, successors, and assigns (collectively, the "**STM CANNA Agents**") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses (paid, assumed or incurred) of whatever kind (including reasonable attorney fees) asserted or made against the STM CANNA Agents (collectively, the "**Claims**") that may arise from or relate to, directly or indirectly, in whole or in part: (i) the acts or omissions of Channel Partner or its officers, managers, owners, employees, contractors, agents, affiliates, representatives, successors, and assigns, including but not limited to the selling of the Products and/or Services by Channel Partner; (ii) a breach of Channel Partner's representations or warranties pursuant to Section 13.1; (iii) any and all additional warranties or representations given by Channel Partner to its customers relating to the Products and/or Services pursuant to Section 13.2; (iv) the relationship of Channel Partner with its customers, vendors, or suppliers other than STM CANNA; or (v) any material breach of this Agreement by Channel Partner. The obligations of Channel Partner under this Section to defend, indemnify, and hold harmless will apply regardless of whether Claim arises in tort, negligence, contract, warranty, strict liability, statute, or otherwise.

14.2 Except for a breach of section 11 of this agreement or a claim under section 14 of this agreement, in no event will either party be liable to the other party in connection with, or relating to, this agreement for any indirect, incidental, reliance, special, or consequential damages (including, but not limited to, lost profits, loss of use, loss of goodwill and damage to reputation). In no event will stm canna's total aggregate liability to channel partner (for direct, consequential or any other type of damages or theory of liability) arising under or relating to this agreement exceed the amount actually paid by channel partner under this agreement in the twelve (12) months immediately before the relevant cause of action accrued. This limit is cumulative and not per incident (i.e., the existence of two or more claims will not increase the limit).

15. Duration and Termination

15.1 The term of this Agreement shall begin as of the Effective Date (as defined herein) and shall remain in effect for a period of 1 calendar year from the date of execution, unless sooner terminated as provided pursuant to this Section 15. The term of this Agreement shall then automatically renew for subsequent one-year terms (based on calendar years), unless a Party gives a written notice of non-renewal to the other Party no less than thirty (30) days prior to the end of the then-current term. If a Party properly gives a notice of non-renewal, then the Agreement shall naturally conclude at the end of the then-current term.

15.2 Notwithstanding Section 15.1, either Party may, upon written notice, immediately terminate this Agreement for Cause. For the purposes of this Agreement, the term "**Cause**" shall refer to the following events:

- (a) The other Party is in breach of this Agreement and such breach is not cured or substantially cured within thirty (30) days after written notice of such breach; or
- (b) The other Party becomes bankrupt or insolvent; has a receiver or liquidator appointed (other than for the purpose of amalgamation or reconstruction); or ceases or threatens to cease to carry on its business.

Additionally, the term “**Cause**” shall also refer to the following as it relates to the right of STM CANNA to terminate the Agreement:

- (c) There is a significant or material change in the operational management or ownership of Channel Partner;
- (d) Channel Partner fails to timely pay invoices received from STM CANNA for the Products and/or Services when they become due, either in accordance with this Agreement or any other payment terms mutually agreed upon by STM CANNA in writing;
- (e) Channel Partner fails, as determined by STM CANNA in its reasonable discretion, to maintain good customer service, remain technically-qualified, competent, and/or certified with respect to the Products and/or Services; or
- (f) Channel Partner engages in act(s), or is being investigated for engaging in act(s), that are likely to degrade the reputation or goodwill of STM CANNA and its Products or Services, as determined by STM CANNA in its reasonable discretion.

15.3 Any notice of non-renewal or termination must be given in writing to the other Party in order to be valid.

16. Consequences of Termination

16.1 Upon termination or conclusion of this Agreement and subject to the following provisions, Channel Partner shall pay STM CANNA for orders received and accepted by STM CANNA prior to the effective date of such termination or conclusion (“**Accepted Orders**”), and STM CANNA shall, upon receipt of such payment, deliver such Accepted Orders in accordance with the terms of this Agreement.

16.2 If a notice of non-renewal is given pursuant to Section 15.1, then STM CANNA shall, until the conclusion of the Agreement, continue to fill Accepted Orders. All orders Channel Partner submits to STM CANNA after such notice of non-renewal is given must be in response to firm written Product or Service orders submitted to Channel Partner by its customers. After a notice of non-renewal is given, STM CANNA will not accept Product orders that are intended to supplement the inventory of the Products held by Channel Partner.

16.3 If a notice of termination is given for Cause by STM CANNA, then STM CANNA shall be entitled to rescind individual contracts of sale for Products which were received and accepted by STM CANNA prior to termination for Cause and which have not yet been shipped.

16.4 Except as expressly set forth in this Agreement, Channel Partner shall not be entitled to any compensation, indemnification, damages or other payment for reason of termination or conclusion of this Agreement.

16.5 The Channel Partner shall direct all further inquiries regarding the Product back to STM CANNA and return or destroy any physical or digital copies of STM CANNA’s proprietary information in its possession including (but not limited to) marketing material, business plans, customer lists, and pricing information.

17. No Assignments or Transfer of Rights

17.1 Channel Partner shall not assign its rights and obligations under this Agreement to any third-party without the prior written consent of STM CANNA.

17.2 During the term of this Agreement, Channel Partner shall promptly notify STM CANNA of any significant or material change in the operational management or ownership of Channel Partner that may occur, including, without limitation, any material change in the managers, directors, or owners of Channel Partner that arises as a result of new owners joining or present owners leaving its company.

18. General Terms

18.1 Governing Law. This Agreement and the interpretation of its terms shall be governed by and construed in accordance with the laws of the State of Washington and subject to the exclusive jurisdiction of the federal and state courts located in Spokane County, Washington, USA.

18.2 Equitable Relief. Each Party agrees that a material breach by the other Party of this Agreement may cause the non-breaching Party irreparable injury for which it would have no adequate remedy at law, and that such non-breaching Party shall be entitled to specific performance or preliminary or other injunctive relief in addition to any and all remedies the non-breaching Party may otherwise be entitled to at law, in equity, or pursuant to this Agreement.

18.3 Attorneys' Fees. In any action or proceeding related in any way to this Agreement, the prevailing Party will be entitled to receive its costs (including reasonable attorneys' fees and costs) incurred in connection with such action or proceeding (including a bankruptcy action or proceeding).

18.4 Notices and Service. Any notice or other documents to be given under this Agreement shall be in writing and delivered either (i) electronically, (ii) in person, postmarked, stamped and sent by certified mail, postage prepaid, or (iii) sent and delivered by common overnight courier, to the Party concerned at the address or electronic address as one Party may from time to time designate to the other Party.

18.5 Survival. The obligations of the Parties (as applicable) under Sections 11, 12.3-12.5, 13-15, 16, and 18, along with any unpaid payment obligations of Channel Partner shall survive the conclusion or termination of this Agreement.

18.6 Compliance with Law. Each Party agrees to comply promptly and fully with every federal, state, local, and municipal law, rule, regulation, order, code, and ordinance which directly or indirectly regulates or affects such Party as it relates to this Agreement and which are to be complied with by such Party.

18.7 Rights of Parties. This Agreement is intended for the exclusive benefit of the Parties to this Agreement. Nothing contained in this Agreement shall be construed as creating any rights or benefits in or to any third-party.

18.8 Force Majeure. No Party shall be deemed to be in violation of this Agreement if prevented from performing any obligations hereunder by reason of acts of God or other acts of war, flood, storm, strikes, terrorism, epidemics, and the like beyond the reasonable control of such Party, nor shall a Party be required to act in violation of law or regulation.

18.9 Entire Agreement. This Agreement (including the schedules hereto) contains the entire agreement between the Parties with respect to its subject matter, and supersedes and cancels all prior agreements between them whether oral, written or implied. Each Party acknowledges that, in entering into this Agreement, it does not do so on the basis of and does not rely on any representation, warranty or other provision except as expressly provided in this Agreement.

18.10 Amendment. No amendment or addition to this Agreement shall be binding on the Parties unless it is in writing and is signed on behalf of each of the Parties by their duly authorized representatives.

18.11 Severability. If any provision of this Agreement, or any part of any provision, is held to be invalid or unenforceable, that provision is deemed to be amended to apply to the extent enforceable and the balance of the Agreement shall be valid and binding.

18.12 Waiver. No failure of either Party to enforce any provision of this Agreement shall be construed as waiver of such provision or of a right of such Party thereafter to enforce same. Any waiver by either Party of a breach of any provision of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other provision of it.

18.13 No Joint Venture. Except where expressly so provided, nothing in this Agreement shall create, or be deemed to create, a joint venture, franchise, partnership or the relationship of principal and agent or employer and employee between the Parties. The Channel Partner shall not be entitled to reimbursement for any expenses except those that have been previously approved in writing by STM CANNA.

18.14 Construction. The headings in this Agreement are for convenience only and shall not affect its interpretation.

18.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties by its duly authorized officer on (the "Effective Date").

Sesh Technologies Manufacturing, Inc. ("STM CANNA") CHANNEL PARTNER ("CP")

Company:

Print Name:

Print Name:

Title:

Title:

Signature:

Signature:

Date:

Date:

Schedules:

Schedule 1 – Partner Benefits & Classifications

Schedule 2 – Partner Business Plan

Schedule 3 – Commercial Terms