

## CARILOHA RETAILER TERMS AND CONDITIONS

Retailer wishes to purchase the Products from Cariloha and resell the Products to End Users, and Cariloha wishes to sell the Products to Retailer and appoint Retailer as a non-exclusive reseller, in each case, under the terms and conditions of this Agreement.

1. **Non-Exclusive Appointment.** Cariloha hereby appoints Retailer, and Retailer accepts the appointment, to act as a non-exclusive reseller of Products to End Users at the Locations during the Term (as defined below) and the Post-Term Sale Period (as defined below) solely in accordance with the terms and conditions of this Agreement.
2. **Retailer Obligations.** Retailer shall:
  - a. maintain accurate and up-to-date company information and disclose all retail locations that carry Cariloha throughout the term of your reseller relationship with Cariloha. Reseller may only sell to their end consumers. Qualifying retail locations can only be one of the following: your physical brick and mortar store(s), your commerce-enabled website(s) as listed and approved by Cariloha, or any temporary storefronts (events, trade shows, pop up stores, etc.) as approved by Cariloha.
  - b. not sell or offer to sell any of the Products on the Internet or through any other means or at any other location other than the Locations without the prior written approval of Cariloha;
  - c. observe all reasonable directions and instructions given to it by Cariloha in relation to the Products;
  - d. promptly notify Cariloha of and address and investigate any complaint or adverse claim about any Product or its use of which Retailer becomes aware;
  - e. maintain true and accurate records of all Products in its possession and provide representatives of Cariloha access to such records during normal business hours to review and make copies;
  - f. at all times comply with all Laws;
  - g. not make any representations, warranties, guarantees, indemnities, similar claims, or other commitments (i) actually or ostensibly on behalf of Cariloha or (ii) to any End User regarding the Products that are additional to or inconsistent with the terms and conditions in this Agreement or any documentation provided by Cariloha to Retailer;
  - h. not engage in any unfair, competitive, misleading, or deceptive practices respecting Cariloha, Cariloha's Trademarks, or the Products;
  - i. not sell or offer to sell any of the Products or other Cariloha-branded products, other than the Products purchased by Retailer from Cariloha or from a distributor authorized by Cariloha to sell the same to Retailer;
  - j. not service, repair, modify, alter, replace, reverse engineer or otherwise change any of the Products;
  - k. not advertise, market, display or demonstrate non-Cariloha products together with Cariloha products in a manner that would create the impression that the non-Cariloha products are made by, endorsed by or associated with Cariloha.
  - l. not use Cariloha's proprietary Sunstation displays to advertise, market, display or demonstrate non-Cariloha Products.

- m. not sell or offer to sell any Product at a price below the price for such Product then set forth at [www.Cariloha.com](http://www.Cariloha.com) without the prior written approval of Cariloha.
3. **Term.** The term of this Agreement commences on the Effective Date and shall continue until terminated until either party provides written notice of termination to the other party (the "Term"). The termination of this Agreement automatically operates as a cancellation of any deliveries of Products to Retailer that are scheduled to be made after the effective date of termination, whether or not any orders for the Products had been accepted by Cariloha. Upon the termination of this Agreement, Retailer shall promptly (a) cease to represent itself as Cariloha's authorized reseller of the Products, and shall otherwise desist from all conduct or representations that might lead the public to believe that Retailer is authorized by Cariloha to sell the Products; (b) return to Cariloha or destroy (as requested by Cariloha) all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on Cariloha's Confidential Information; (c) permanently erase all of Cariloha's Confidential Information from its computer systems. Retailer may, in accordance with the applicable terms and conditions of this Agreement, sell off its existing inventories of Products for a period of 60 days following the last day of the Term (the "Post-Term Sale Period")
4. **Purchase Order.** Retailer shall order Products from Cariloha pursuant to Purchase Orders delivered to Cariloha, and Cariloha shall accept or reject each Purchase Order by notice to Retailer. Cariloha shall not be bound by any Purchase Order Terms (as defined below) until Cariloha has delivered notice to Retailer of Cariloha's acceptance. Retailer shall specify the following information (collectively, the "Purchase Order Terms") in each Purchase Order: (a) a list of Products to be purchased; (b) quantities ordered; (c) requested delivery date; and (d) Delivery Location. Cariloha may accept or reject any Purchase Order. Cariloha may accept any Purchase Order by either confirming the order (whether by written confirmation, invoice, or otherwise) or by delivering the Products. No Purchase Order is binding on Cariloha unless accepted by Cariloha as provided in this Agreement. Cariloha may, without liability or penalty, cancel any Purchase Order placed by Retailer and accepted by Supplier, in whole or in part, if Cariloha (i) discontinues its sale of Products or reduces or allocates its inventory of Products, or (ii) determines that Retailer is in breach of this Agreement.
5. **Shipment; Delivery.** Cariloha shall select the method of shipment of and the carrier for the Products. Cariloha may, without liability or penalty, make partial shipments of Products to Retailer. Cariloha shall use commercially reasonable efforts to deliver all Products on or before the requested delivery date, but any time quoted for delivery is an estimate only.
6. **Confidential Information.** Retailer shall not disclose Confidential Information to third parties without Cariloha's prior approval; however, Retailer may disclose Confidential Information to its third party professional advisors that are acting solely for Retailer or Retailer's affiliates' benefit and that have a need to know such information in order to provide advice or services to Retailer, provided that such advisors agree to not disclose the Confidential Information to any third party without Cariloha's prior consent. If Retailer is compelled to produce Confidential Information by Law, Retailer shall give the Disclosing Party prompt notice of such legal process and shall reasonably cooperate with the Disclosing Party in seeking a protective order or other appropriate protection. If a protective order or other appropriate protection is not obtained, or if the Disclosing Party waives its right to seek a protective order or other appropriate protection, Retailer shall (a) furnish only that portion of the Confidential Information that, upon the advice

of legal counsel, it is legally required to disclose, and (b) exercise reasonable efforts to obtain assurance that confidential treatment shall be afforded such Confidential Information.

7. **Product Warranty.** Cariloha shall make certain limited warranties regarding any Products that are manufactured by Cariloha ("Limited Warranties") solely to and for the End User's benefit, which will either be (a) included in a written warranty statement with the Product; or (b) Cariloha's standard limited warranty in force when the Product is delivered by Retailer to End User. NO WARRANTY IS EXTENDED TO RETAILER UNDER THIS AGREEMENT. RETAILER SHALL NOT PROVIDE ANY WARRANTY REGARDING ANY PRODUCT OTHER THAN THE LIMITED WARRANTIES AND ANY WARRANTIES ASSIGNED TO END USERS PURSUANT TO THIS SECTION 6. OTHER THAN THE LIMITED WARRANTIES, CARILOHA MAKES NO WARRANTIES HEREUNDER WITH RESPECT TO THE PRODUCTS, EXPRESS OR IMPLIED; ALL WARRANTIES, INCLUDING THE WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, ARE HEREBY DISCLAIMED. AN END USER'S SOLE REMEDIES AND CARILOHA'S SOLE LIABILITY FOR ANY BREACH OF ANY WARRANTY RELATING TO THE PRODUCTS SHALL BE AS SET FORTH IN THE LIMITED WARRANTIES OR THE MANUFACTURER'S WARRANTIES, AS APPLICABLE.
8. **Product Returns:** No returns will be allowed unless authorized in advance in writing by Cariloha and accompanied by a return merchandise authorization number (RMA) issued by Cariloha. Shipments arriving at Cariloha without an RMA number will be refused and returned to Retailer at Retailer's cost. A material return authorization number will be issued for defective materials, warranty credit, shipping errors or repairs. Returns will not be accepted for any other reason. Cariloha does not reimburse or give credit for return freight incurred by Retailer. All returns from Retailer will be subject to a restocking fee equal to 15% of the cost invoiced by Cariloha for the returned Product. All returns must be completed within 90 days of purchase.
9. **Recalls.** If Cariloha or any governmental authority determines that any Products sold to Retailer are defective and a recall campaign is necessary, (a) Retailer shall return the defective Products to Cariloha or destroy such Products, as instructed by Cariloha, and (b) if such defect is due to a breach of a Limited Warranty, Cariloha shall, (i) at Cariloha's option, either repair or replace, or credit or refund Prices for, all such returned Products and (ii) reimburse Retailer for reasonable and documented costs incurred by Retailer to return or destroy the defective Products. Retailer shall provide reasonable assistance to Cariloha in such recall.
10. **Indemnity and Insurance.** Retailer shall indemnify and save harmless Cariloha against and from all costs, claims, damages, expenses, demands, causes of action and proceedings of whatsoever nature arising from or contributed to by (i) any breach, act or omission by the Vendor, its personnel or agents, which results in any liability of Cariloha under any part of the Services performed under this Agreement or to any third party; and (ii) any claim, damage, loss or expense due to or resulting from any negligence or negligent breach of statutory duty on the part of the Retailer, its personnel or agents.

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