

# SWOOP IT UP, INC.

## TECHNOLOGY SERVICES AGREEMENT

This Technology Services Agreement (“Agreement”) constitutes a legal agreement between , a [JURISDICTION] [TYPE] ("**Distributor**") and Swoop It Up, Inc., a California Corporation (“**Company**” and with Distributor the “**Parties**”).

WHEREAS Company provides lead generation to independent licensed distributors of cannabis using the SIU Services (as defined below). The SIU Services enable licensed distributors to seek, receive, and fulfill requests for Distribution Services from licensed cannabis businesses that use Company’s or its affiliates’ mobile applications. Distributor desires to enter into this Agreement for the purpose of accessing and using the SIU Services.

**WHEREAS the Parties acknowledge and agree that Company is a technology services provider that does not provide distribution services or engage in commercial cannabis activity.**

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants herein, the Parties agree as follows

## 1 Certain Definitions

**1.1** “Affiliate” means an entity that, directly or indirectly, controls, is under the control of, or is under common control with a party, where control means having more than fifty percent (50%) of the voting stock or other ownership interest or the majority of the voting rights of such entity.

**1.2** “Applicable Laws” means all federal, state, and local laws, rules, and regulations other than federal laws, rules, and regulations prohibiting commercial cannabis business.

**1.3** “Company Data” means all data related to the access and use of the SIU Services hereunder, including all data related to Users (including User Information), all data related to the provision of Distribution Services via the SIU Services and the Swooper App, and the Swooper ID.

**1.4** “Device” means a mobile device on which the SIU App has been installed as authorized by Company solely for the purpose of providing Distribution Services.

**1.5** “Distribution Services” means Distributor’s provision of cannabis distribution services to Users via the SIU Services in the Territory using the Vehicle.

**1.6** “Territory” means the state of .

**1.7** “Tolls” means any applicable road, bridge, ferry, tunnel and airport charges and fees, including inner-city congestion, environmental or similar charges as reasonably determined by the SIU Services based on available information.

**1.8** “SIU Services” mean Company’s on-demand lead generation and related services that enable transportation providers to seek, receive and fulfill on-demand requests for Distribution Services by Users seeking Distribution Services; such SIU Services include access to the Swooper App and Company’s software, websites, payment services as described in Section 4 below, and related support services systems, as may be updated or modified from time to time.

**1.9** “Swooper App” means the mobile application provided by Company that enables transportation providers to access the SIU Services for the purpose of seeking, receiving and fulfilling on- demand requests for Distribution Services by Users, as may be updated or modified from time to time.

**1.10** “Swooper ID” means the identification and password key assigned by Company to Distributor that enables Distributor to use and access the Swooper App.

**1.11** “User” means a licensed cannabis company authorized by Company to use the Swoop It Up mobile application for the purpose of obtaining Distribution Services offered by Company’s Cannabis distributor customers.

**1.12** “User Information” means information about a User made available to Distributor in connection with such User’s request for and use of Distribution Services. “Vehicle” means Distributor’s vehicle.

## 2 Use of the SIU Services

**2.1 Swooper IDs.** Company will issue Distributor a Swooper ID to enable Distributor to access and use the Swooper App on a Device in accordance with this Agreement. Company reserves the right to deactivate Distributor’s Swooper ID if Distributor has not fulfilled a request for Distribution Services using the Swooper App at least once a month. **Distributor agrees that Distributor will maintain its Swooper ID in confidence and not share its Swooper ID with any third party. Distributor will immediately notify Company of any actual or suspected breach or improper use or disclosure of its Swooper ID or the Swooper App.**

**2.2 Provision of Distribution Services.** User requests for Distribution Services may be presented to Distributor via the Swooper App. If Distributor accepts a User’s request for Distribution Services, the SIU Services will provide Distributor with certain User Information via the Swooper App. Distributor will obtain the destination from the Swooper App. Distributor acknowledges and agrees that once Distributor has accepted a User’s request for Distribution Services, Company’s mobile application may provide certain information about Distributor to the User. Distributor shall not contact any Users or use any User’s personal data for any reason other than for the purposes of fulfilling Distribution Services in accordance with and subject to the terms of this Agreement. As between Company and Distributor, Distributor acknowledges and agrees that: (a) Distributor shall be solely responsible for determining the most effective, efficient, and safe manner to perform each instance of Distribution Services; and (b) except for the SIU Services, Distributor shall provide all necessary equipment, tools and other materials, at Distributor’s own expense, necessary to perform Distribution Services.

**2.3 Distributor's Relationship with Users.** Distributor acknowledges and agrees that Distributor's provision of Distribution Services to Users creates a direct business relationship between Distributor and the User. Company is not responsible or liable for the actions or inactions of a User in relation to Distributor, Distributor's activities, or Distributor's Vehicle. Distributor shall have the sole responsibility for any obligations or liabilities to Users or third parties that arise from Distributor's provision of Distribution Services. Distributor acknowledges and agrees that Distributor is solely responsible for taking such precautions as may be reasonable and proper (including maintaining adequate insurance that meets the requirements of all Applicable Laws including cannabis laws and motor vehicle financial responsibility laws) regarding any acts or omissions of a User or third party. Distributor acknowledges and agrees that Company may release Distributor's contact and/or insurance information to a User upon such User's reasonable request. Distributor acknowledges and agrees that all cannabis will be transported directly to its specified destination, as directed by the applicable User and in accordance with all Applicable Laws, without unauthorized interruption or unauthorized stops.

**2.4 Distributor's Relationship with Company.** Distributor acknowledges and agrees that Company's provision to Distributor of the Swooper App and the SIU Services creates a direct business relationship between Company and Distributor. Company does not, and shall not be deemed to, direct or control Distributor generally or in Distributor's performance under this Agreement specifically, including in connection with Distributor's provision of Distribution Services, Distributor's acts or omissions, or Distributor's operation and maintenance of Distributor's Vehicle. Distributor retains the sole right to determine when, where, and for how long Distributor will utilize the Swooper App or the SIU Services. Distributor retains the option, via the Swooper App, to attempt to accept or to decline or ignore a User's request for Distribution Services via the SIU Services, or to cancel an accepted request for Distribution Services via the Swooper App, subject to Company's then-current cancellation policies. Company shall have no right to require Distributor to: (a) display Company's or any of its Affiliates' names, logos or colors on Distributor's Vehicle or (b) wear a uniform or any other clothing displaying Company's or any of its Affiliates' names, logos, or colors. Distributor acknowledges and agrees that Distributor has complete discretion to provide services or otherwise engage in other business. For the sake of clarity, Distributor understands that Distributor retains the complete right to: (i) use other software application services in addition to the SIU Services; and (ii) engage in any other distribution of cannabis. Company retains the right to deactivate or otherwise restrict Distributor from accessing or using the Swooper App or the SIU Services in the event of a violation or alleged violation of this Agreement, Distributor's disparagement of Company or any of its Affiliates, Distributor's act or omission that causes harm to Company's or its Affiliates' brand, reputation, or business as determined by Company in its sole discretion.

## **2.5 Ratings.**

**2.5.1** Distributor acknowledges and agrees that: (a) after receiving Distribution Services, a User may be prompted by Company's mobile application to provide a rating of Distributor and such Distribution Services or provide comments or feedback about Distributor and such Distribution Services; and (b) after providing Distribution Services, Distributor may be prompted by the Swooper App to provide a rating of the User and, optionally, to provide comments or feedback about the User. Distributor shall provide Distributor's ratings and feedback in good faith.

**2.5.2** Distributor acknowledges that Company desires that Users have access to high-quality services via Company's mobile application. In order to continue to receive access to the Swooper App and the SIU Services, Distributor must maintain an average rating by Users that exceeds the minimum average acceptable rating established by Company for Distributor's Territory, as may be updated from time to time by Company in its sole discretion ("Minimum Average Rating"). Distributor's average rating is intended to reflect Users' satisfaction with Distributor's Distribution Services rather than Distributor's compliance with any of Company's policies or recommendations. In the event Distributor's average rating falls below the Minimum Average Rating, Company will notify Distributor and may provide Distributor, in Company's discretion, a limited period of time to raise Distributor's average rating above the Minimum Average Rating. If Distributor does not increase Distributor's average rating above the Minimum Average Rating within the time period allowed (if any), Company reserves the right to deactivate Distributor's access to the Swooper App and the SIU Services. Additionally, Distributor acknowledges that Distributor's repeated failure to accept User requests for Distribution

Services while Distributor is logged in to the Swooper App creates a negative experience for Users of Company's mobile application. If Distributor does not wish to accept User requests for Distribution Services for a period of time, Distributor agrees that Distributor will log off of the Swooper App.

**2.5.3** Company and its Affiliates reserve the right to use, share and display Distributor's and User ratings and comments in any manner in connection with the business of Company and its Affiliates without attribution to Distributor or Distributor's approval. Distributor acknowledges and agrees that Company and its Affiliates are distributors (without any obligation to verify) and not publishers of Distributor's and User ratings and comments, provided that Company and its Affiliates reserve the right to edit or remove comments in the event that such comments include obscenities or other objectionable content, include an individual's name or other personal information, or violate any privacy laws, other Applicable Laws, or Company's or its Affiliates' content policies.

**2.6 Devices.** Distributor is responsible for the acquisition, cost and maintenance of Distributor's Devices as well as any necessary wireless data plan and installing the Swooper App on Distributor's Device. Company hereby grants Distributor a personal, non-exclusive, non-transferable license to install and use the Swooper App on Distributor's Device solely for the purpose of providing Distribution Services. Distributor agrees to not provide, distribute or share, or enable the provision, distribution, or sharing of, the Swooper App (or any data associated therewith) with any third party. The foregoing license grant shall immediately terminate and Distributor will delete and fully remove the Swooper App from the Device in the event that Distributor ceases to provide Distribution Services using the Swooper App. Distributor agrees that: (i) use of the Swooper App on Distributor's Device requires an active data plan with a wireless carrier associated with Distributor's Device, which data plan will be provided by Distributor at Distributor's own expense; and (ii) use of the Swooper App on Distributor's Device as an interface with the SIU Services may consume large amounts of data through the data plan. COMPANY ADVISES THAT DISTRIBUTOR'S DEVICE ONLY BE USED UNDER A DATA PLAN WITH UNLIMITED OR VERY HIGH DATA USAGE LIMITS, AND COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY FEES, COSTS, OR OVERAGE CHARGES ASSOCIATED WITH ANY DATA PLAN.

**2.7 Location Based Services.** Distributor acknowledges and agrees that Company may require Distributor to provide Distributor's geo-location information to the SIU Services via a Device in order to provide Distribution Services. Distributor acknowledges and agrees that: (a) Distributor's geo-location information may be obtained by the SIU Services while the Swooper App is running; and (b) the approximate location of Distributor's Vehicle will be displayed to the User before and during the provision of Distribution Services to such User. In addition, Company and its Affiliates may monitor, track, and share with third parties Driver's geo-location information obtained by the Swooper App and Device for safety and security purposes.

### **3 Distributor and Distributor's Vehicle**

**3.1 Distributor's Requirements.** Distributor acknowledges and agrees that at all times, Distributor shall: (a) hold and maintain all licenses, permits, approvals, and authority that are necessary to provide cannabis distribution services to third parties in the Territory; (b) possess the appropriate and current level of skill, expertise, and experience to provide Distribution Services in a professional manner with due skill, care, and diligence; and (c) maintain high standards of professionalism and service. Distributor acknowledges and agrees that Company reserves the right, at any time in Company's sole discretion, to deactivate or otherwise restrict Distributor from accessing or using the Swooper App or the SIU Services if Distributor fails to meet the requirements set forth in this Agreement.

**3.2 Vehicle Requirements.** Distributor acknowledges and agrees that Distributor's Vehicle shall at all times be: (a) in compliance with California law and regulation regarding the distribution of cannabis; (b) authorized to distribute cannabis pursuant to Distributor's cannabis distribution license; (c) owned or leased by Distributor, or otherwise in Distributor's lawful possession; (d) suitable for performing the distribution services contemplated by this Agreement; (e) maintained in good operating condition, consistent with industry safety and maintenance standards for a Vehicle of its kind and any additional standards or requirements in the applicable Territory; and (f) in a clean and sanitary condition.

**3.3 Documentation.** To ensure Distributor's compliance with all requirements in Sections 3.1 and 3.2 above, Distributor shall provide Company with written copies of all such licenses, permits, approvals, authority, registrations, and certifications prior to Distributor's provision of

any Distribution Services. Thereafter, Distributor shall submit to Company written evidence of all such licenses, permits, approvals, authority, registrations, and certifications as they are renewed. Company shall, upon request, be entitled to review such licenses, permits, approvals, authority, registrations, and certifications from time to time, and Distributor's failure to provide or maintain any of the foregoing shall constitute a material breach of this Agreement. Company reserves the right to independently verify Distributor's documentation from time to time in any way Company deems appropriate in its reasonable discretion.

**3.4 Disclosures.** If Company determines in its sole and absolute discretion that, pursuant to any Applicable Laws, Distributor is legally required to disclose Company as a "financial interest holder" or "owner" or to make a similar disclosure to the Department of Cannabis Control or any other applicable governmental body, each of Company and Distributor shall take all reasonable actions necessary or proper to make such disclosures.

## **4 Financial Terms**

**4.1 Fee Calculation and Distributor's Payment.** Distributor shall charge a fee for each instance of completed Distribution Services provided to a User that are obtained via the SIU Services ("Fee"), where such Fee shall be set by Company in the SIU App. The Fee for transportation of cannabis flower or trim is currently \$0.10 per pound of cannabis plus \$1.25 per mile, with a 25% service fee and a city tax fee; provided, however, that Users will be charged based on a minimum order of 10 pounds for deliveries under 60 miles, 25 pounds for deliveries of 60 miles (but less than 120 miles), and an additional 25 pounds for each increment of 60 miles beyond 60 miles (so a 240-mile delivery or a 270-mile delivery would be charged based on a minimum of 100 pounds). Company may change the Fee calculation upon written notice to Distributor. Distributor acknowledges and agrees that the Fee is the only payment Distributor will receive in connection with the provision of Distribution Services unless the User decides, at User's complete discretion, to provide a gratuity. Distributor: (i) appoints Company as Distributor's limited payment collection agent solely for the purpose of accepting the Fee from the User on Distributor's behalf via the payment processing functionality facilitated by the SIU Services; and (ii) agree that payment made by User to Company (or to an Affiliate of Company acting as an agent of Company) shall be considered the same as payment made directly by User to Distributor. Company agrees to remit, or cause to be remitted, to Distributor from Distributor's payment processor the Fee less the applicable Service Fee.

**4.2 Fee Adjustment.** Company reserves the right to: (i) adjust the Fee for a particular instance of Distribution Services (e.g., Distributor took an inefficient route, Distributor failed to properly end a particular instance of Distribution Services in the Swooper App, technical error in the SIU Services, etc.); or (ii) cancel the Fee for a particular instance of Distribution Services (e.g., User is charged for Distribution Services that were not provided, in the event of a User complaint, fraud, etc.). Company's decision to reduce or cancel the Fee in any such manner shall be exercised in a reasonable manner.

**4.3 Service Fee.** In consideration of Company's provision of the Swooper App and the SIU Services for Distributor's use and benefit hereunder, Distributor agrees to pay Company a service fee on a per-Distribution-Services-transaction basis calculated as 40% of the Fee ("Service Fee"). Company reserves the right to change the Service Fee at any time in Company's discretion based upon local market factors, and Company will provide Distributor with 30 days' written notice in the event of such change. Continued use of the SIU Services after any such change in the Service Fee calculation shall constitute Distributor's consent to such change.

**4.4 Cancellation Charges.** Distributor acknowledges and agrees that Users may elect to cancel requests for Distribution Services that have been accepted by Distributor via the Swooper App at any time prior to Distributor's arrival. In the event that a User cancels an accepted request for Distribution Services, Company may charge the User a cancellation fee on Distributor's behalf. If charged, the Distributor shall be paid 25% of the fee charged on Distributor's behalf ("Cancellation Fee"). Company reserves the right to change the Cancellation Fee at any time in Company's discretion based upon local market factors, and Company will provide Distributor with 30 days' written notice in the event of such change. Continued use of the SIU Services after any such change in the Cancellation Fee calculation shall constitute Distributor's consent to such change.

**4.5 Taxes.** Distributor acknowledges and agrees that Distributor is required to: (a) complete all tax registration obligations and calculate and remit all tax liabilities related to Distributor's provision of Distribution Services as required by Applicable Laws; and (b) provide Company with all tax information necessary or proper for Company to satisfy its own tax-related

obligations. Distributor further acknowledges and agrees that Distributor is responsible for taxes on Distributor's own income arising from the performance of Distribution Services.

**4.6 Distributor Responsibility.** Without limiting Distributor's other obligations set out in this Agreement or at law, Distributor agrees and acknowledges that the provision of Distribution Services to certain Users may require that the Distributor or Distributor personnel drive more than eight hours and/or stay overnight in one or more locations. Distributor agrees and acknowledges that Distributor is fully responsible for all decisions regarding hours worked and all costs associated with all deliveries, including without limitation (i) any overtime wages or other compensation that is due to any Distributor or Distributor personnel under applicable law and (ii) any additional expenses for lodging, food, or other amounts incurred in connection with the provision of Distribution Services.

## **5 Proprietary Rights; License**

**5.1 License Grant.** Subject to the terms and conditions of this Agreement, Company hereby grants Distributor a non-exclusive, non-transferable, non-sublicensable, non-assignable license, during the term of this Agreement, to use the SIU Services (including the Swooper App on a Device) solely for the purpose of providing Distribution Services to Users and tracking resulting Fees. All rights not expressly granted to Distributor is reserved by Company, its Affiliates and their respective licensors.

**5.2 Restrictions.** Distributor shall not, and shall not allow any other party to: (a) license, sublicense, sell, resell, transfer, assign, distribute or otherwise provide or make available to any other party the SIU Services, Swooper App in any way; (b) modify or make derivative works based upon the SIU Services or Swooper App; (c) improperly use the SIU Services or Swooper App, including creating Internet "links" to any part of the SIU Services or Swooper App, "framing" or "mirroring" any part of the SIU Services or Swooper App on any other websites or systems, or "scraping" or otherwise improperly obtaining data from the SIU Services or Swooper App; (d) reverse engineer, decompile, modify, or disassemble the SIU Services or Swooper App, except as is required to be allowed under Applicable Laws; or (e) send spam or otherwise duplicative or unsolicited messages. In addition, Distributor shall not, and shall not allow any other party to, access or use the SIU Services or Swooper App to: (i) design or develop a competitive or substantially similar product or service; (ii) copy or extract any features, functionality, or content thereof; (iii) launch or cause to be launched on or in connection with the SIU Services an automated program or script, including web spiders, crawlers, robots, indexers, bots, viruses or worms, or any program which may make multiple server requests per second, or unduly burden or hinder the operation or performance of the SIU Services; or (iv) attempt to gain unauthorized access to the SIU Services or its related systems or networks.

**5.3 Ownership.** The SIU Services, Swooper App, and Company Data, including all intellectual property rights therein are and shall remain (as between Distributor and Company) the property of Company, its Affiliates, or their respective licensors. Neither this Agreement nor Distributor's use of the SIU Services, Swooper App, or Company Data conveys or grants to Distributor any rights in or related to the SIU Services, Swooper App, or Company Data, except for the limited license granted above. Other than as specifically permitted by the Company in connection with the SIU Services, Distributor is not permitted to use or reference in any manner Company's, its Affiliates', or their respective licensors' company names, logos, products and service names, trademarks, service marks, trade dress, copyrights or other indicia of ownership, alone and in combination with other letters, punctuation, words, symbols and/or designs (the "Company Marks and Names") for any commercial purposes. Distributor agrees that Distributor will not try to register or otherwise use or claim ownership in any of the Company Marks and Names, alone or in combination with other letters, punctuation, words, symbols, or designs, or in any confusingly similar mark, name, or title, for any goods or services.

## **6 Confidentiality; Non-Circumvention**

**6.1** Each party acknowledges and agrees that in the performance of this Agreement it may have access to or may be exposed to, directly or indirectly, confidential information of the other party ("Confidential Information"). Confidential Information includes Company Data, Swooper IDs, User Information, and the transaction volume, marketing and business plans, business, financial, technical, operational and such other non-public information of each party (whether disclosed in writing or verbally) that such party designates as being proprietary or confidential or of which the other party should reasonably know that it should be treated as confidential.

**6.2** Each party acknowledges and agrees that: (a) all Confidential Information shall remain the

exclusive property of the disclosing party; (b) it shall not use Confidential Information of the other party for any purpose except in furtherance of this Agreement; (c) it shall not disclose Confidential Information of the other party to any third party, except to its employees, officers, contractors, agents and service providers ("Permitted Persons") as necessary to perform under this Agreement, provided Permitted Persons are bound in writing to obligations of confidentiality and non-use of Confidential Information no less protective than the terms hereof; and (d) it shall return or destroy all Confidential Information of the disclosing party, upon the termination of this Agreement or at the request of the other party (subject to Applicable Laws and, with respect to Company, its internal record-keeping requirements).

**6.3** Notwithstanding the foregoing, Confidential Information shall not include any information to the extent it: (a) is or becomes part of the public domain through no act or omission on the part of the receiving party; (b) was possessed by the receiving party prior to the date of this Agreement without an obligation of confidentiality; (c) is disclosed to the receiving party by a third party having no obligation of confidentiality with respect thereto; or (d) is required to be disclosed pursuant to law, court order, subpoena or governmental authority, provided the receiving party notifies the disclosing party thereof and provides the disclosing party a reasonable opportunity to contest or limit such required disclosure.

**6.4** Distributor will not circumvent Company in any way, including without limitation by, during the Term of this agreement or for one year afterward, contracting with any third party introduced by Company to Distributor or whose identity was disclosed to Distributor through the Swooper App or to whom Distributor provided Distribution Services hereunder; provided, however, that this restriction shall not apply for any third party that Distributor provided distribution services to during the twelve months before the Effective Date, as shown by clear and convincing evidence.

## **7 Privacy**

**7.1 Disclosure of Distributor's Information.** Subject to Applicable Laws, Company and its Affiliates may, but shall not be required to, provide to Distributor, a User, an insurance company, or relevant authorities or regulatory agencies any information (including personal information and any Company Data) about Distributor or any Distribution Services provided hereunder if: (a) there is a complaint, dispute or conflict, including an accident, between Distributor and a User; (b) it is necessary to enforce the terms of this Agreement; (c) it is required, in Company's or any Affiliate's reasonable discretion, by Applicable Laws or regulatory requirements (e.g., Company or its Affiliates receive a subpoena, warrant, or other legal process for information); (d) it is necessary, in Company's or any Affiliate's reasonable discretion, to (1) protect the safety, rights, property or security of Company or its Affiliates, the SIU Services or any third party; (2) to protect the safety of the public for any reason including the facilitation of insurance claims related to the SIU Services; (3) to detect, prevent or otherwise address fraud, security or technical issues; (4) to prevent or stop activity which Company or any of its Affiliates, in their sole discretion, may consider to be, or to pose a risk of being, an illegal, unethical, or legally actionable activity); or (e) it is required or necessary, in Company's or any Affiliate's sole discretion, for insurance or other purposes related to Distributor's ability to qualify, or remain qualified, to use the SIU Services. Distributor understands that Company may retain Distributor's personal data for legal, regulatory, safety and other necessary purposes after this Agreement is terminated.

**7.2** Company and its Affiliates may collect Distributor's data during the course of Distributor's application for, and use of, the SIU Services, or may obtain information about Distributor from third parties. Such information may be stored, processed, transferred, and accessed by Company and its Affiliates, third parties, and service providers for business purposes, including for marketing, lead generation, service development and improvement, analytics, industry and market research, and such other purposes consistent with Company's and its Affiliates' legitimate business needs. Distributor expressly consents to such use of data.

## **8 Insurance**

**8.1** Distributor agrees to maintain during the term of this Agreement on all Vehicles operated by Distributor in connection with this Agreement all insurance required by Applicable Laws, including without limitation general liability insurance and automobile liability insurance that provides protection against bodily injury and property damage to third parties at levels of coverage that satisfy the minimum requirements of such Applicable Laws. Distributor agrees to provide Company and its Affiliates a copy of the insurance policy, policy declarations, proof of insurance identification card and proof of premium payment for the insurance policy required in

this Section 8.1 upon request. Furthermore, Distributor must provide Company with written notice of cancellation of any insurance policy required by Company. Company shall have no right to control Distributor's selection or maintenance of Distributor's policy.

**8.2** Distributor agrees to maintain during the term of this Agreement workers' compensation insurance as required by all Applicable Laws.

**8.3** Company may maintain during the term of this Agreement insurance related to Distributor's provision of Distribution Services as determined by Company in its reasonable discretion, provided, however, that Company and its Affiliates are not required to provide Distributor with any specific insurance coverage for any loss to Distributor, including Distributor's Vehicles. Distributor is required to promptly notify Company of any accidents that occur while providing Distribution Services and to cooperate and provide all necessary information related thereto.

## **9 Representations and Warranties; Disclaimers**

**9.1 By Distributor.** Distributor hereby represents and warrants that: (a) Distributor has full power and authority to enter into this Agreement and perform Distributor's obligations hereunder; (b) Distributor has not entered into, and during the term will not enter into, any agreement that would prevent Distributor from complying with this Agreement; and (c) Distributor will comply with all Applicable Laws in Distributor's performance of this Agreement, including holding and complying with all permits, licenses, registrations and other governmental authorizations necessary to provide (i) Distribution Services using the Vehicles pursuant to this Agreement, and (ii) commercial cannabis distribution to third parties in the Territory generally.

**9.2 Disclaimer of Warranties.** COMPANY AND ITS AFFILIATES PROVIDE, AND DISTRIBUTOR ACCEPTS, THE SIU SERVICES AND SWOOPER APP ON AN "AS IS" AND "AS AVAILABLE" BASIS. COMPANY AND ITS AFFILIATES DO NOT REPRESENT, WARRANT OR GUARANTEE THAT DISTRIBUTOR'S ACCESS TO OR USE OF THE SIU SERVICES OR THE SWOOPER APP: (A) WILL BE UNINTERRUPTED OR ERROR FREE; OR (B) WILL RESULT IN ANY REQUESTS FOR TRANSPORTATION SERVICES. COMPANY AND ITS AFFILIATES FUNCTION AS AN ON-DEMAND LEAD GENERATION AND RELATED SERVICE ONLY AND MAKE NO REPRESENTATIONS, WARRANTIES, OR GUARANTEES AS TO THE ACTIONS OR INACTIONS OF THE USERS WHO MAY REQUEST OR RECEIVE DISTRIBUTION SERVICES FROM DISTRIBUTOR, AND COMPANY AND ITS AFFILIATES DO NOT SCREEN OR OTHERWISE EVALUATE USERS. BY USING THE SIU SERVICES AND SWOOPER APP, DISTRIBUTOR ACKNOWLEDGES AND AGREES THAT DISTRIBUTOR MAY BE INTRODUCED TO A THIRD PARTY THAT MAY POSE HARM OR RISK TO DISTRIBUTOR PERSONNEL OR OTHER THIRD PARTIES. DISTRIBUTOR IS ADVISED TO TAKE REASONABLE PRECAUTIONS WITH RESPECT TO INTERACTIONS WITH THIRD PARTIES ENCOUNTERED IN CONNECTION WITH THE USE OF THE SIU SERVICES OR SWOOPER APP. NOTWITHSTANDING COMPANY'S APPOINTMENT AS THE LIMITED PAYMENT COLLECTION AGENT OF DISTRIBUTOR FOR THE PURPOSE OF ACCEPTING PAYMENT FROM USERS ON DISTRIBUTOR'S BEHALF AS SET FORTH IN SECTION 4 ABOVE, COMPANY AND ITS AFFILIATES EXPRESSLY DISCLAIM ALL LIABILITY FOR ANY ACT OR OMISSION OF DISTRIBUTOR, ANY USER, OR OTHER THIRD PARTY.

**9.3 No Service Guarantee.** COMPANY AND ITS AFFILIATES DO NOT GUARANTEE THE AVAILABILITY OR UPTIME OF THE SIU SERVICES OR SWOOPER APP. DISTRIBUTOR ACKNOWLEDGES AND AGREES THAT THE SIU SERVICES OR SWOOPER APP MAY BE UNAVAILABLE AT ANY TIME AND FOR ANY REASON (e.g., DUE TO SCHEDULED MAINTENANCE OR NETWORK FAILURE). FURTHER, THE SIU SERVICES OR SWOOPER APP MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS, AND COMPANY AND ITS AFFILIATES ARE NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGES, LIABILITIES, OR LOSSES RESULTING FROM SUCH PROBLEMS.

**10 Indemnification.** Distributor shall indemnify, defend (at Company's option), and hold harmless Company and its Affiliates and their respective officers, directors, employees, agents, successors and assigns from and against any and all liabilities, expenses (including legal fees), damages, penalties, fines, and taxes arising out of or related to: (a) Distributor's breach of Distributor's representations, warranties or obligations under this Agreement; or (b) a claim by a third party (including Users, regulators and governmental authorities) directly or indirectly related to Distributor's provision of



Distribution Services or use of the SIU Services.

**11 Limits of Liability.** COMPANY AND ITS AFFILIATES SHALL NOT BE LIABLE UNDER OR FOR ANY REASON RELATED TO THIS AGREEMENT OR THE DISTRIBUTION SERVICES FOR ANY OF THE FOLLOWING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER LEGAL THEORY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES: (i) ANY INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES OF ANY TYPE OR KIND; OR (ii) DISTRIBUTOR'S OR ANY THIRD PARTY'S PROPERTY DAMAGE, OR LOSS OR INACCURACY OF DATA, OR LOSS OF BUSINESS, REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE. EXCEPT FOR COMPANY'S OBLIGATIONS TO PAY AMOUNTS DUE TO DISTRIBUTOR PURSUANT TO SECTION 4 ABOVE, BUT SUBJECT TO ANY LIMITATIONS OR OTHER PROVISIONS CONTAINED IN THIS AGREEMENT WHICH ARE APPLICABLE THERETO, IN NO EVENT SHALL THE LIABILITY OF COMPANY OR ITS AFFILIATES UNDER THIS AGREEMENT EXCEED THE AMOUNT OF SERVICE FEES ACTUALLY PAID TO OR DUE TO COMPANY HEREUNDER IN THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH CLAIM.

## **12 Term and Termination**

**12.1 Term.** This Agreement shall commence on the date accepted by Distributor and shall continue until terminated as set forth herein.

**12.2 Termination.** Either party may terminate this Agreement: (a) without cause at any time upon thirty (30) days prior written notice to the other party; (b) immediately, without notice, for the other party's material breach of this Agreement; or (c) immediately, without notice, in the event of the insolvency or bankruptcy of the other party, or upon the other party's filing or submission of request for suspension of payment (or similar action or event) against the terminating party. In addition, Company may terminate this Agreement or deactivate Distributor's Swooper ID immediately, without notice, with respect to Distributor in the event Distributor no longer qualifies, under Applicable Law or the standards and policies of Company and its Affiliates, to provide Distribution Services, or as otherwise set forth in this Agreement. Effect of Termination. Upon termination of the Agreement, Distributor shall immediately delete and fully remove the Swooper App from any of Distributor's Devices. Outstanding payment obligations and Sections 1, 2.3, 2.5.3, 5.3, 6, 7, 9, 10, 11, 12.3, 13, 14 and 15 shall survive the termination of this Agreement.

## **13 Relationship of the Parties**

**13.1** Except as otherwise expressly provided herein with respect to Company acting as the limited payment collection agent solely for the purpose of collecting payment from Users on Distributor's behalf, the relationship between the parties under this Agreement is solely that of independent contracting parties. The parties expressly agree that: (a) this Agreement is not an employment agreement, nor does it create an employment relationship, between Company and Distributor; and (b) no joint venture, partnership, or agency relationship exists between Company and Distributor.

**13.2** Distributor has no authority to bind Company or its Affiliates and Distributor undertakes not to hold itself out as an employee, agent, or authorized representative of Company or its Affiliates. Where, by implication of mandatory law or otherwise, Distributor may be deemed an agent or representative of Company, Distributor undertakes and agrees to indemnify, defend (at Company's option), and hold Company and its Affiliates harmless from and against any claims by any person or entity based on such implied agency or representative relationship.

## **14 Miscellaneous Terms**

**14.1 Modification.** Company may modify this Agreement upon thirty (30) days' written notice to Distributor. Distributor hereby acknowledges and agrees that, by using the SIU Services, or downloading, installing, or using the Swooper App, Distributor is bound by such modifications, including with respect to Service Fee. Continued use of the SIU Services or Swooper App after any such changes shall constitute Distributor's consent to such changes. Unless changes are made to the arbitration provisions herein, Distributor acknowledges and agrees that modification of this Agreement does not create a renewed opportunity to opt out of arbitration. Except as set out in the foregoing, this Agreement may not be modified except by the mutual written, signed agreement of Company and Distributor.

**14.2 Severability.** If any provision of this Agreement is or becomes invalid or non-binding, the parties shall remain bound by all other provisions hereof. In that event, the parties shall replace

the invalid or non-binding provision with provisions that are valid and binding and that have, to the greatest extent possible, a similar effect as the invalid or non-binding provision, given the contents and purpose of this Agreement.

**14.3 Assignment.** Neither Party shall assign or transfer this Agreement or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the other Party; provided that Company may assign or transfer this Agreement or any or all of its rights or obligations under this Agreement from time to time without consent: (a) to an Affiliate; or (b) to an acquirer of all or substantially all of Company's business, equity or assets.

**14.4 Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and replaces and supersedes all prior or contemporaneous agreements or undertakings regarding such subject matter. In this Agreement, the words "including" and "include" mean "including, but not limited to." The recitals form a part of this Agreement.

**14.5 No Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement. Nothing contained in this Agreement is intended to or shall be interpreted to create any third-party beneficiary claims.

**14.6 Notices.** Any notice delivered by Company to Distributor under this Agreement will be delivered by email to the email address associated with Distributor's account or by posting on the portal available to Distributor on the SIU Services. Any notice delivered by Distributor to Company under this Agreement will be delivered to 320 Tesconi Cir, Santa Rosa, CA 95401.

**14.7 Governing Law.** The interpretation of this Agreement shall be governed by California law, without regard to the choice or conflicts of law provisions of any jurisdiction. Except as set out in Section 14.9 below, any disputes, actions, claims or causes of action arising out of or in connection with this Agreement or the SIU Services shall be subject to the exclusive jurisdiction of the state and federal courts located in the County of Sonoma, California.

**14.8 Attorneys' Fees.** In the event it is necessary to institute legal action to enforce any of the provisions of this Agreement, the prevailing Party shall be entitled to actual attorney's fees and costs.

**14.9 Arbitration.** Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims shall be heard by a single arbitrator, unless the claim amount exceeds \$100,000.00, in which case the dispute shall be heard by a panel of three arbitrators. In the latter case, within 10 days after the commencement of arbitration, each Party shall select one person to act as arbitrator and the two selected shall select a third arbitrator within 7 days of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be selected by the American Arbitration Association. The arbitrator(s) shall be knowledgeable in matters pertaining to purchase and sale agreements and, preferably, the cannabis industry in the State of California.

**14.9.1** The place of arbitration shall be in Santa Rosa, California, and the arbitration shall be governed by the laws of the State of California. The binding arbitration award shall be made within 4 months of the filing of the notice of intention to arbitrate (demand), and the arbitrator(s) shall agree to comply with this schedule before accepting appointment. However, this time limit may be extended by the arbitrator for good cause shown, or by mutual agreement of the Parties.

**14.9.2** The arbitrator(s) shall award to the prevailing Party, if any, as determined by the arbitrators, all of such Party's costs and fees, including all reasonable pre-award expenses of the arbitration, the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees. The Parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or AAA administrative charges within a reasonable time shall constitute a waiver by that Party to present evidence or cross-examine witness in the arbitration proceeding. In such event, the other Party shall be required to present evidence and legal arguments as the arbitrator(s) may require for the making of the binding award. Such waiver shall not allow for a default judgment against the non-paying Party in the absence of evidence presented by the other Party as provided for above.

**Date: 05/09/25**

THIS SALES AGENT AGREEMENT is executed and agreed to by the Parties as of the Effective Date set out above.

**COMPANY**

**DISTRIBUTOR**

By : Swoop It Up

Name : David Azevedo

Title : Founder/CEO

Address : 320 Tesconi Cir, Santa Rosa, CA 95401

Mailing Address : 320 Tesconi Cir, Santa Rosa, CA 95401

By :

Name :

Title :

Address :

Mailing Address :