

# CBD Affiliates Vendor Agreement

This Vendor Agreement (the “Agreement”), dated as of \_\_\_\_\_, 2021 (the “Effective Date”), is entered into by and between CBD Affiliates (“CBD Affiliates”), a California Limited Liability Company having a place of business at \_\_\_\_\_ and \_\_\_\_\_, a \_\_\_\_\_ having a place of businesses at \_\_\_\_\_

**WHEREAS**, Vendor wants to sell products though CBD Affiliates e-commerce channel,

**WHEREAS**, CBD Affiliates is a online marketplace for CBD products,

**WHEREAS**, Vendor is an manufacture of CBD compliant products for sale,

**NOW THEREFORE**, in consideration for the representations and agreements contained herein,

1. RECITALS: Vendor and CBD Affiliates are entering into this Vendor Agreement (the “Agreement”) to set forth the terms and conditions applicable Vendor’s offer to sell products (the “Products”) to end consumers and commercial buyers (the “Customers”) through CBD Affiliates’s sales channels.

2. AGREEMENT GOVERNS: Unless otherwise agreed to in writing between the parties, all Product purchase orders placed with the Vendor through CBD Affiliates are subject to the terms of this Agreement, even if: (a) the purchase orders do not reference this

Agreement; and (b) there are conflicting, inconsistent or additional terms in the Vendor's acceptance or confirmation documentation or any of the Vendor's standard forms or agreements, whether or not signed, used, acknowledged or otherwise accepted by CBD Affiliates, either before or after the date of this Agreement.

**3. PURCHASE ORDER:** CBD Affiliates will purchase the following from Vendor:

ITEM	WHOLESALE PURCHASE PRICE	RETAIL PRICE	TOTAL PRICE

**4. PURCHASING OBLIGATIONS:** CBD Affiliates will have no obligation or liability to purchase or find Customers for all or any particular volume of any type of Products from the Vendor. CBD Affiliates does not guarantee, and is not obligated to issue, any particular number or type of purchase orders with the Vendor. CBD Affiliates will not be liable to the Vendor for loss of business or revenues, or excess inventory, if CBD Affiliate's purchase orders do not meet the Vendor's expectations.

**5. PRICING:** Products will be purchased by CBD Affiliates at Vendor's wholesale price. Vendor will be forbid from selling Products to any Consumer or third party e-commerce channel, at a lower price than stated in section 3. Price Price. Moreover, Vendor is strictly liable for third party's selling any product CBD Affiliates maintains in inventory at a lower retail price.

**6. PAYMENTS:** Vendor will receive payments every fifteen (15) days. Vendor is responsible for keeping its own files and records. Subject to

future changes, Vendor is responsible for all tax filing in the appropriate jurisdiction.

7. SHIPPING. Vendor's shipping cost will be reimbursed by CBD Affiliates based on the standardized cost per Section 5 of the Agreement. All profits realized from shipping will be included in profit sharing. Vendor will confirm shipping methods with CBD Affiliates prior to final Agreement.

8. RETURNS: All customer sales are final. The validity of a customers complaint regarding a product will be independently decided by CBD Affiliates. Customer will either receive a zero percent (0%), fifty percent (50%) or one-hundred percent (100%) store credit based upon the customer's original purchase price. Vendors will receive half of the corresponding profit margin.

9. VENDOR CONTENT: Vendor may provide Product information relating to the Products, including, Product specifications, facts, images, and other textual, graphical, multimedia or other content regarding the Products ("Vendor Content"). Vendor hereby grants CBD Affiliates a license to exhibit, reproduce without modification, publish, publicly perform and transmit via the Internet such Vendor Content for the purpose of advertising and promoting the Products. Vendor shall not make any medical claims associated with the Product.

10. BRAND NAME USAGE: CBD Affiliates will be entitled to make reasonable non-exclusive use of the trademarks and trade names associated with the Products (the "Marks"), for purposes of CBD Affiliate's normal product marketing, advertising, servicing and sales activities. Upon termination of this Agreement, CBD Affiliates may continue to advertise and promote the Products, using the Vendor's trademarks, trade names and Vendor Content until inventory depletion (if any) not to exceed 90 days from date of termination. Upon termination of this Agreement, CBD Affiliates shall provide Vendor with an accounting of inventory not yet sold, and upon depletion of inventory,

a certification when all inventory has been depleted and use of Vendor's trademarks shall cease at that time.

11. COMPETITIVE PRODUCTS: The Vendor acknowledges that CBD Affiliates markets and sells a wide variety of goods, many of which are competitive with the Products. CBD Affiliate's relationship with the Vendor will not restrict any such marketing and sales activities by CBD Affiliates.

12. INDEPENDENT CONTRACTOR: The Vendor is an independent contractor and not an agent or employee of CBD Affiliates. CBD Affiliates does not grant or agree to grant to the Vendor, and the Vendor will not have, any power of attorney, agency or other authorization to bind CBD Affiliates or to act on its behalf in any manner.

13. CONFIDENTIALITY: This Agreement and any information marked as confidential or, regardless of form (written/electronic/oral) or marking, is of the nature that a reasonable person would understand its owner would not want it disclosed to the public will be considered to be Confidential Information. Further, Confidential Information will also include (a) any document or data transaction between the parties; (b) matters of a technical nature such as trade secret processes or devices, know-how, data, formulas, inventions (whether or not patentable or copyrighted), specifications and characteristics of products or services planned or being developed, and research subjects, methods and results, (c) matters of a business nature such as information about costs, profits, pricing, policies, markets, sales, vendor, customers (e.g., names and addresses), product plans, and marketing concepts, plans or strategies, (d) matters relating to project initiatives and designs, (e) matters of a human resources nature such as employment policies and practices, personnel, including individual names, addresses, and telephone numbers; compensation and employee benefits, (f) other information of a similar nature not generally disclosed to the public. Each party agrees not to disclose Confidential Information except to

employees, or a third-party subject to a similar confidentiality agreement, which have a need to know to perform their responsibilities. Each party agrees to take at least the same precautions to protect Confidential Information as such party would utilize to ensure the protection, confidentiality and security of its own confidential information. Vendor warrants that it will not use any information provided by CBD Affiliates in connection with this Agreement to market directly to CBD Affiliates customers. Upon the expiration or earlier termination of this Agreement, this Section shall survive.

**14. REPRESENTATIONS/WARRANTIES:** The Vendor represents and warrants to CBD Affiliates that: (a) the Products and Vendor Content delivered to CBD Affiliates do not infringe any patent, trademark, copyright or other proprietary rights; and (b) the Products will be free from defects in material and workmanship, and will be fit and safe for the use(s) normally and reasonably intended; (c) the Products are of merchantable quality and will perform in conformance with specifications; (d) it will provide a manufacturer's warranty to end-users of the Products that is generally consistent with or superior to industry standards; and (e) Products offered do not violate any applicable state or federal laws.

**15. COMPLIANCE WITH ALL LAWS:** In providing the Products and Vendor Content to CBD Affiliates and performing its other obligations under this Agreement, the Vendor will comply with all applicable laws including, without limitation, any applicable product safety laws; any applicable requirements of the United State Food & Drug Administration; and Product safety regulations.

**16. INDEMNITY:** The Vendor will indemnify and save CBD Affiliates, its parent, subsidiaries and affiliates, and their respective customers, employees, directors, officers and agents harmless from and against all costs, expenses (including legal fees), damages, actions, causes of action, suits, claims, liabilities and judgments, which may be suffered or

incurred by them, relating to (a) Vendor's breach of this Agreement, including but not limited to its representations and warranties; (b) acts or omissions of Vendor relating to the Products which includes, but is not limited to claims that the Products, or use thereof, caused personal injury, death, or real or personal property damage; (c) a Product recall, whether or not initiated by Vendor; (d) claims that the Products or any Vendor Content provided by Vendor or its agents infringes, misappropriates or injures a third party's intellectual property or proprietary rights; (e) false or misleading Product specifications or other Vendor Content provided to CBD Affiliates to promote and sell the Products; (f) non-compliance with any laws, rules or regulations. If a claim by a third party is made against CBD Affiliates, CBD Affiliates will promptly notify Vendor of such claim but failure to give timely notice will not affect CBD Affiliates' rights provide the failure does not adversely affect vendor's ability to defend such claim. Vendor will assume the defense thereof, with counsel selected by Vendor and reasonably satisfactory to CBD.CO. Vendor will have control of the defense of any such action (other than administrative, criminal or quasi-criminal proceedings), including any appeals and negotiations for the settlement or compromise thereof and will have full authority to enter into a binding settlement or compromise; provided that, Vendor will not enter into any settlement or compromise which may adversely affect CBD Affiliates without the CBD Affiliates' consent, which consent will not be unreasonably withheld.

**17. SHIPPING TERMS:** Vendor agrees to process and ship all Customer orders within two (2) business days in accordance with Customer's designated method of shipping.

**18. DAMAGED PRODUCT:** The Vendor agrees to replace, at their own cost including shipping, any damaged or nonconforming Products. Such replacements shall be shipped within two (2) business days of notification from CBD Affiliates' customer service department or notification from the Customer.

19. PAYMENT TERMS: Payments to Vendor shall be paid within twenty-one (21) calendar days of order fulfillment with correct shipment tracking number input into Vendor's online portal.

20. DEDUCTIONS: The Vendor agrees that all invoice discrepancies, returns, promotional funds and volume discounts will be deducted from any amounts owing by CBD Affiliates to the Vendor.

21. TERM: The term of this Agreement will start on the Effective Date, \_\_\_\_\_, and will run for \_\_\_\_ months. Vendor must notify CBD Affiliates thirty-days (30) prior to the termination of the Term. Otherwise CBD Affiliates has the option to renew the contract on the same terms.

22. TERMINATION: This Agreement may be terminated by either party at any time upon 30 days prior written notice to the other. This Agreement may be terminated immediately by either party upon written notice to the other if the other party: (a) is wound-up or dissolved or insolvent; (c) makes an assignment for the benefit of its creditors or proposes a composition or arrangement with its creditors generally.

23. GOVERNING LAW: JURISDICTION: This Agreement will be governed by and construed in accordance with the laws of the State of California. Any dispute arising from, connected with or relating to this Agreement or any related matters must be resolved before applicable State or Federal Courts for San Francisco, California and the parties hereby irrevocably submit to the original and exclusive jurisdiction of those Courts in respect of any such dispute or matter.

24. ASSIGNMENT: This Agreement may not be assigned by the Vendor either directly or indirectly, by operation of law or otherwise, without the

prior written consent of CBD Affiliates, and any attempt to do so will be void and of no effect.

**25. NOTICES:** All notices, requests, demands and other communications which are required or may be given under this Agreement will be in writing, including email, and will be deemed to have been duly given if hand-delivered or mailed by either registered or certified mail, return receipt requested, or by a nationally recognized overnight courier service, receipt confirmed, or by email to each respective party's designated email address. In the case of notices via first-class mail or courier service, notices will be deemed effective upon the date of receipt. Notices will be addressed to the parties as set forth below, unless either party notifies the other of a change of address, in which case the latest noticed address will be used: Notices to CBD Affiliates: \_\_\_\_\_ . Email: [info@cbdaaffiliates.com](mailto:info@cbdaaffiliates.com) Notices to Vendor: will be sent to the address or email listed by Vendor.

**26. INSURANCE:** The Vendor will, at the Vendor's own expense, maintain comprehensive general liability insurance including, without limitation, product liability insurance, all risks coverage, and business interruption insurance in customary amounts for the industry and Products sold. There shall be no exclusions for Nicotine products. At the request of CBD Affiliates from time to time, the Vendor will provide CBD Affiliates with a certificate of insurance as evidence of the above.

**27. MODIFICATION:** CBD Affiliates shall be permitted to modify, amend, supplement, delete, or otherwise change this Agreement upon 30 days notice to Vendor. Notice may be provided via mail, electronic mail, or notification on Vendor's online portal. Vendor's acceptance of any orders after the lapse of the 30 day notice period shall serve as Vendor's acceptance of the modified agreement.

By signing this Agreement on behalf of the applicant vendor named in the application form for participation in the Online Vendor Program (the “Vendor”), you acknowledge and signify the Vendor’s acceptance and agreement, without limitation of qualification, to be bound by this Agreement, and you represent and warrant that you have the legal authority to submit the application and to sign and agree to this Agreement on behalf of the Vendor. If the Vendor does not agree with each provision of this Agreement or you are not authorized to sign and agree to this Agreement on behalf of the Vendor, then you may not submit an application on behalf of the Vendor or sign this Agreement on behalf of the Vendor. CBD Affiliates is not obligated to accept the Vendor’s application, and this Agreement will not be effective unless and until CBD Affiliates accepts the Vendor’s application.

SIGNATURES:

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CBD Affiliates

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Date

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Date