

DISTRIBUTION AGREEMENT

This distribution agreement (this “**Agreement**”) is entered into as of January 1st, 2023 (the “**Effective Date**”), by and between **Subsidiary Inc.**, a Delaware corporation (“**Distributor**”), and **Parent Ltd.**, a company duly organized and existing under the laws of Canada (“**Principal**”). Each Distributor and Principal shall be herein referred to as a “**Party**” and together as the “**Parties**”.

WHEREAS Principal holds the rights in the Product (as defined herein) and designs, develops, markets, distributes and sells the Product throughout the world; and

WHEREAS Principal and Distributor desire to establish a relationship whereby Distributor shall become designated distributor to act as an independent non-exclusive distributor of the Product (as defined herein) in North America (together, the “**Territory**”), all subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual understandings, premises, covenants and agreements hereinafter set forth, the Parties hereby agree as follows:

1 Definitions

The following terms, as used herein, shall have the meaning ascribed to them under this Section 1:

1. “**Customer**” shall mean any Person to which Distributor sells and/or leases the Product in the Territory.
2. “**Documentation**” means user manuals, documents, drawings and other written and or electronic materials pertaining to the Product, provided by Principal to Distributor under this Agreement.
3. “**Intellectual Property Rights**” means all intangible legal rights, titles and interests evidenced by or embodied in (i) all inventions (regardless of patentability), all improvements thereto, and all patents, patent applications, and patent disclosures; (ii) all trademarks, trade names and corporate names, together with all translations, adaptations, derivations, and combinations thereof; (iii) any work of design or authorship, regardless of copyrightability, all copyrightable works, all copyrights (including the droit moral) and all applications, registrations, and renewals in connection therewith; (iv) all trade secrets and Confidential Information; (v) all other proprietary rights and any other similar rights, in each case on a worldwide basis, and all copies and tangible embodiments thereof, in whatever form or medium.
4. “**Person**” means any individual, corporation, partnership, trust, limited liability company, association or other entity.
5. “**Product**” shall mean Principal’s products as perpetually purchased by Distributor for resale to Customers, through Principal’s proprietary platform, during the Term (as defined below).

2. Appointment of Distributor and Scope of Agreement

1. Subject to the terms and conditions hereinafter set forth, Principal hereby appoints Distributor and Distributor hereby accepts such appointment, as Principal’s non-exclusive distributor of the Product in the Territory, during the Term.

2. Distributor shall purchase the Product solely from Principal and will distribute it solely in the Territory, and shall not, directly or indirectly, market, distribute, sell or otherwise provide the Product to any party outside the Territory unless mutually agreed upon in writing.
3. All orders received by Principal from any customer operates in the Territory, with respect to the Product, will promptly be referred by Principal to Distributor. Distributor shall promptly direct all inquiries related to the marketing of the Product outside the Territory to Principal.
4. Principal shall have the right, at its sole and absolute discretion, to appoint distributors in locations outside the Territory, or to market, promote, sell or lease and distribute the Product outside the Territory, directly or indirectly, and may enter into agreements similar to this Agreement with distributors outside the Territory at its sole discretion.

3. Representations and Warranties

1. Each Party represents and warrants to the other that (i) it has the skills, knowledge, manpower, experience and resources necessary to perform its obligations under this Agreement; (ii) it has the power and authority to enter into and perform its obligations under this Agreement; (iii) this Agreement, when executed, shall become its legal, valid and binding obligation enforceable against it in accordance with its terms; and (iv) the execution and performance of all provisions of this Agreement shall not violate, conflict with or constitute a default under any applicable law, authorizations, or any agreement or obligation by which such party is bound.
2. Distributor hereby represents and warrants that it possesses all permits and licenses required under any law for the performance of this Agreement, or it shall obtain any license and/or permits and/or approvals necessary under applicable law in order to import and distribute the Product in the Territory and acknowledges and agrees that the procurement and maintenance of any such permits, approvals and licenses throughout the Term shall be its exclusive responsibility at its own expense. Principal shall provide Distributor with the reasonably necessary technical and other information regarding the Product as shall be necessary for Distributor to obtain the required permits, licenses and approvals. Following the termination or expiration of this Agreement for any reason, Distributor shall take all necessary actions to transfer, or cause the transfer, of such regulatory approval, permit or license in the name of Principal or any other Person as may be directed by Principal in its sole discretion.
3. Compliance with Laws. Each of the Parties must comply with all applicable laws, rules, and regulations applicable to its obligations under this Agreement or to the Product supplied hereunder, whether performed directly by such Party or through its subcontractors.

4. Activities and Responsibilities

Distributor shall, at its own expense, be responsible for the following:

1. Actively market the Product for sale or lease, distribution and use solely in the Territory, including, without limitation, performance of demonstrations of the Product to potential Customers and placement of advertisements in relevant media; provided that Distributor may not engage in or perform any paid media advertising or public relations press activities without first obtaining the prior written consent of Principal to be provided on a case by case basis. Principal may from time to time at its sole discretion assist in such marketing efforts, including by supplying marketing materials and organizing conferences and campaigns in connection with the Product. The contents of any media advertising done by

Distributor in connection with the Product (paid or unpaid) are subject to the prior written approval of Principal.

2. Report to Principal on a regular basis all operational issues, quality problems and reliability problems that were reported by Customers or otherwise came to its knowledge in connection with the Product and any other relevant information regarding the Product such as competitive information, legislation changes, policies, new products and market trends.
3. Supply the Customers with instructions for the operation of the Product. Distributor undertakes not to make any representations or give any warranties concerning the Product or its capabilities which are false or misleading in anyway or go beyond those warranties and representations made by Principal in this Agreement and/or in its manuals.
4. Assure at all times that its sales and technical staff is properly trained to fulfill their tasks under this Agreement, and train relevant personnel in connection with the demonstration, use, distribution and sale of the Product, which shall be conversant in the specifications, features and advantages of the Product. Without derogating from the forgoing, Distributor shall make available its employees and/or any other person who will use the Product, whether on behalf of Distributor or the Customer, for training sessions that Principal may conduct from time to time. Within the Territory each Party shall bear its own expenses with respect to such training.
5. Keep Principal informed of any and all significant events which may reasonably affect the marketing of the Product.
6. Comply at its own expense with all applicable laws and regulations in the Territory relating to the sale or lease, distribution, installation, maintenance, and promotion of the Product.
7. Provide first tier support and maintenance services (as per Sec. 5.1 below) for all sales of the Product in the Territory, whether sold directly by Distributor or indirectly by resellers, in the Territory.
8. Distributor shall not use, modify, copy, remove, disassemble, alter, reverse engineer, obscure or obliterate any part of the Product, or other proprietary notices incorporated in the Product provided. Principal may from time to time change its Product and/or proprietary notices; Distributor agrees to promptly incorporate such changes on any and all marketing materials upon notification of such changes from Principal. Nothing herein shall grant to Distributor any ownership, right or title in the Intellectual Property Rights and all goodwill accruing to the Intellectual Property Rights, or to the Product shall be deemed to accrue to Principal, exclusively. In addition, Distributor shall not make any changes or modifications to the Product's source code without written permission of Principal. Distributor agrees to cooperate with Principal in registration and maintenance of Principal's Intellectual Property Rights. Distributor right to use the Intellectual Property Rights shall terminate immediately and without notice upon the termination of this Agreement or the dissolution or bankruptcy of Distributor. All goodwill and other benefits created through Distributor's use of the Intellectual Property Rights shall ensure solely to the benefit of Principal. Distributor's use of the Intellectual Property Rights other than on any marketing materials must be approved in advance by Principal.
9. Distributor shall be entitled to sell the Product to Customers in the Territory; it being agreed that the Intellectual Property Rights imbedded in the Product shall not be assigned to Distributor, and shall not be sold to any customer and shall be deemed licensed directly to the customer, and nothing in this Agreement, express or implied, is intended to confer upon Distributor any rights in the Intellectual Property Rights.

10. Distributor shall have sole responsibility for arranging any permits, notices, bonds, inspections or other requirements, including but not limited to, for (i) negotiating with potential Customers with respect to the sale of the Product to them, and (ii) with respect to the entry of Product into the Territory. Distributor shall be solely responsible for any customs duties, import taxes, tariffs, sales tax or any other amounts required to be paid in connection with the shipment and/or delivery of the Product including to the Customers thereof.
11. Distributor undertakes to provide appropriate security for the Product, all at its sole and own cost and expense.
12. All rights not specifically granted to Distributor hereunder are reserved by Principal. Except for the limited rights granted to Distributor under this Section, Principal does not license or convey any Intellectual Property Rights or other rights to Distributor.

5. Implementation and Support

1. Distributor may assist the Customers with implementing the Product and first level support, including: (i) responding to all calls from Customers in connection with the installation of the Product; (ii) verifying on site that the Product is connected properly to other Product; (iii) ascertaining the nature of operational problems; and (iv) independent problem solving and addressing questions raised by Customers in connection with the installation of the Product. Principal shall provide Distributor and the Customer with second level support and maintenance, including rendering of software support for the Product via the internet by a support engineer of Principal.
2. It is hereby agreed that, other than with respect to the provision of the second level support and maintenance as set forth in Section above, Principal shall not be required to provide any services directly to any of the Customers.

6. Prices and Payment Terms

1. It is hereby clarified that all the prices specified in this Distribution Agreement (including for the avoidance of doubt all additional annexes thereto) are exclusive of any applicable value added tax, sales tax, goods and service tax or any other taxes, duties, levies and bank charges, to be borne and paid by Distributor alone.
2. The prices Distributor shall pay to Principal during the Term for distributing the Product shall be at arm's length, in accordance to Principal's most recent transfer pricing study, as updated from time to time. Principal may, at its sole discretion, modify the price, provided however, that Principal shall notify Distributor of any such modification at least 90 (ninety) days in advance, and the new prices shall come into force for all new orders at the expiry of such 90 (ninety) day period and provided further that all such pricing shall be determined based on an up-to-date transfer pricing study.
3. Invoicing and Payment: Principal will invoice Distributor in U.S. Dollars, on a quarterly basis, by considering Distributor's appropriate operating profit margin, in accordance with the most recent transfer pricing report. In addition, Principal may invoice Distributor on a quarterly basis, to comply with the most recent transfer pricing study. Distributor will pay each invoice within 30 (thirty) days from its issuance, by means of wire transfer to Principal's bank account according to such details as Principal shall make known in writing.

4. Without derogating from Section 5.2, Principal may grant Distributor with advances, to be recorded as inter-company balance, at its own discretion, in order to comply with the pricing terms as set forth in Section 5.1. Such inter-company balances will be closed every quarter against the arm's length transfer pricing.
5. Bad debts incurred to Distributor shall be credited by Principal.

7. Term and Termination

1. The term of this Agreement will be deemed to have commenced on the Effective Date and will renew automatically for successive two-year periods unless terminated earlier in accordance with this Section 6 (the "**Term**").
2. Either party may terminate this Agreement at any time by providing 90 days' advance written notice to the other party.
3. Notwithstanding the forgoing, Principal may terminate this Agreement immediately upon the occurrence of any of the following events: (i) Distributor becomes insolvent, makes an assignment for the benefit of creditors, is the subject of any voluntary or involuntary bankruptcy proceedings, (which, in the case of involuntary bankruptcy, is not dismissed within 14 (fourteen) days), or of any other proceeding under other applicable laws of any jurisdiction regarding bankruptcy, insolvency, reorganization (except for the sole purpose of change of domicile), stay of proceedings, adjustment of debt or other forms of relief for debtors, has receiver, trustee, liquidator, assignee, custodian or similar official appointed for it or for any substantial part of its property, or is the subject of any dissolution or liquidation proceeding; or (ii) Distributor commits any material breach or is in default of its obligations under this Agreement, and such breach is incurable or is not cured within 14 (fourteen) days of Principal's written notice of such material breach or default.
4. Upon expiration of this Agreement, or termination of this Agreement by either Party:
 1. All rights granted hereunder to Distributor and all obligations of Principal hereunder shall terminate.
 2. Upon the expiration or termination of this Agreement, for whatever reason, and subject to the following sell-off period provision, Distributor shall (i) cease immediately all marketing and distribution of the Product, including all display, advertising, support and use of the Product and/or Principal's Confidential Information and Trademarks (as such terms are defined below); and (ii) refrain from making any representations or statements from which it might be inferred that any relationship exists between Principal and Distributor.
 3. Distributor expressly agrees to waive and disclaim its right to receive any payment from Principal which may be provided under local law for any consequential, incidental, special or indirect damages, costs or expenses in connection with the development or operation of Distributor's business, including, but not limited to, labor costs, lost revenue or profits, or loss of goodwill in the Territory.

8. Intellectual Property Rights; Trademarks

1. The Product will be provided to each Customer to use the Product which will be granted by the Distributor pursuant to the agreement between Customer and Distributor. Exclusive title and ownership to all Intellectual Property Rights in connection with the Product and any improvements, inventions, patent rights, trade secrets, trademarks, technical information, know-how, goodwill, etc. in connection therewith, whether or not registered and/or registerable, are the sole property of, and shall be solely retained by Principal and/or its licensors (if applicable), and Distributor hereby expressly, unconditionally and irrevocably waives any such rights.
2. Principal hereby grants to Distributor a limited, revocable, non-transferable (except as otherwise provided herein), non-exclusive permission valid in the Territory during the Term, to use Principal's trademarks, service marks, and trade names associated with the Product (the "**Trademarks**"), solely in connection with Distributor's activities hereunder.
3. Distributor shall not act or authorize any third party to perform any act which would or might invalidate or be inconsistent with any intellectual property right of Principal and shall not alter, remove or tamper with any Trademarks, numbers, or other means of identification used on or in relation to the Product or use such Trademarks together with any other brand.
4. Patent and Copyright Indemnification. If a competent authority accepts a third party's claim that the Product provided to Distributor under this Agreement infringes upon that party's patent or copyright in the Territory (a "**Claim**"), Principal will defend and hold Distributor harmless (including all costs and attorney's fees arising from such Claim) at Principal's expense, and pay all costs and damages that a court may award or are agreed upon in settlement, provided that Distributor (a) promptly notifies Principal in writing of the Claim, (b) does not make any settlement, waiver, or admission of fact or claim relating to the Claim, and (c) allows Principal to control, and cooperates with Principal in defense of such Claim and any related settlement negotiations. If such a Claim is made or appears likely to be made, Principal agrees to use commercially reasonable efforts to secure the right for Distributor and/or customers affected to continue to use the Product, or to modify it, or to replace it with one that is equivalent.
5. Author of Scripts and Installation Designs. Principal acknowledges that it has no right to authorize any third party to use Distributor Caption, Translation or Audio Descriptive scripts or files. Principal further acknowledges that no changes may be made to Distributor design drawings/plans unless said changes are approved in writing by Distributor and that all such changes so approved shall become Distributor property, free from liens and encumbrances. Principal shall not be entitled to sell or authorize another to sell the designs or authored content of Distributor without its prior written consent.

9. Confidentiality, Non-Competition and Proprietary Rights

1. During the Term, Distributor shall not directly or indirectly engage in any Competing Activity. For the purpose of this Section 9, a "**Competing Activity**" shall mean engaging in, or assisting any other Person to engage in, the design, development, manufacture, distribution, sale, marketing or use of any application, web or phone-based product which competes with Principal's Product, anywhere in the world. Any breach of this Section by Distributor shall be considered to be a material breach of this Agreement.
2. "**Confidential Information**" shall mean any documentation, technical information, software, business information, proprietary information or other materials that either party may disclose to the other party

in the course of performing this Agreement, provided such Confidential Information is disclosed in written or other tangible form and the disclosing party prominently marks such Confidential Information as being confidential to it. Any Confidential Information disclosed verbally must be identified as confidential at the time of disclosure. Each party agrees to hold in strictest confidence, and not to disclose to any Person or use in any way for that party's own or another's benefit any of the other party's Confidential Information. Nothing in this provision will apply to any information (i) which enters or has entered the public domain otherwise than by breach of this Agreement or of any other duty; (ii) which was publicly available at the time it was transmitted to the receiving party; (iii) which was properly provided to the receiving party by a third party without restriction; (iv) which is required to be disclosed by law or by any governmental agency having jurisdiction pursuant to an order to produce or in the course of a legal proceeding pursuant to a lawful request for discovery; provided, however, that if the receiving party is so ordered or required to disclose the information, it shall promptly notify the disclosing party of the order or request and permit the disclosing party (at its expense) to seek an appropriate protective order; or (v) which was independently developed by the receiving party without recourse to the Confidential Information, as shown by the developing party's records. The parties agree that any violation of these provisions regarding confidentiality will result in irreparable injury to the other party and agree that each has the right to seek a restraining order, injunction, or any other remedies available at law or in equity. The parties agree to waive any bond requirement for enforcement of this provision. The confidentiality obligation of each party under the Agreement will survive for a period of five (5) years following any expiration or termination of the Agreement.

3. Distributor hereby agrees that it will not, and will not allow any third party to modify, reverse engineer or attempt to copy or reconstruct the underlying ideas, underlying user interface techniques or design of the Product by any means whatsoever, or disclose any of the foregoing. Distributor shall not make any changes or modifications to the Product or its packaging, including any changes or modification required under applicable law in the Territory, unless agreed to in advance and in writing by Principal. Principal shall be entitled to make such alterations to the specifications of the Product as it may deem fit.

10. Limitation of Liability; Disclaimers

1. Subject to the provisions of this Agreement, it shall be the liability and responsibility of Distributor, at its sole expense, to install the Product, service the Customers and perform in-warranty service at the Customers' sites.
2. Principal Product Warranty. Principal warrants to Distributor that the Product complies with its specifications as provided by Principal under normal use, given proper installation and maintenance, for a period of three (3) months from the date of delivery by Principal.
3. Exercise of Warranty. Distributor will promptly notify Principal of any known defect in the Product. Principal has the option to (a) repair, replace, or service the Product found to be defective or (b) credit Distributor for the defective Product. Correction of defects by repair, replacement, or service will be at Principal's option and constitute fulfillment of all warranty obligations to Distributor for breach of warranty.
4. Product Liability: The Distributor acknowledges and agrees that it shall assume full responsibility for any and all product liability claims, lawsuits, or damages arising from the use, distribution, or sale of the products covered under this agreement. Principal shall not be held liable for any such claims, and the Distributor shall indemnify and hold harmless the Principal against any costs, expenses, or

liabilities, including legal fees, incurred as a result of such claims. The Distributor shall maintain adequate product liability insurance coverage throughout the term of this agreement to protect against such claims.

5. EXCEPT FOR THE WARRANTIES PROVIDED HEREIN, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, PRINCIPAL SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY (INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE). WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NEITHER PRINCIPAL NOR ANY OF ITS THIRD-PARTY PROVIDERS WARRANT THAT THE PRODUCT WILL (I) OPERATE UNINTERRUPTED OR ERROR FREE, (II) MEET DISTRIBUTOR'S AND/OR A CUSTOMER'S REQUIREMENTS, OR (III) ACHIEVE ACCURATE OR RELIABLE RESULTS. DISTRIBUTOR AND/OR EACH CUSTOMER IS SOLELY RESPONSIBLE FOR THE SELECTION OF THE PRODUCT TO ACHIEVE ITS INTENDED RESULTS OR FOR ITS PARTICULAR APPLICATIONS. OTHER THAN IN CONNECTION WITH THE REPRESENTATIONS AND WARRANTIES EXPRESSLY MADE BY PRINCIPAL HEREUNDER, TO THE EXTENT PERMITTED BY APPLICABLE LAW, DISTRIBUTOR SHALL NOT HAVE ANY CLAIM AGAINST PRINCIPAL, ITS OFFICERS, AGENTS OR EMPLOYEES, LICENSORS OR THIRD-PARTY PROVIDERS AND SUPPLIERS OF THE PRODUCT AND/OR PRINCIPAL SERVICES, WHETHER BASED ON CONTRACT, NEGLIGENCE, WARRANTY LIABILITY, TRADE PRACTICES, OR OTHERWISE.
6. UNDER NO CIRCUMSTANCES WILL PRINCIPAL OR ITS RELATED PERSONS BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE, OR INCIDENTAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE, BASED ON CLAIMS OF DISTRIBUTOR OR A CUSTOMER (INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR LOSS OF DATA, GOODWILL, PROFITS, USE OF MONEY OR USE OF THE PRODUCT, INTERRUPTION IN USE OR AVAILABILITY OF DATA, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS), ARISING OUT OF BREACH OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE.

11. Miscellaneous

1. Relationship of the Parties. Both Parties are acting as independent contractors in performing their obligations. This Agreement does not create an employer-employee relationship between Principal and Distributor, nor any agency, joint venture or partnership. Except as otherwise set forth under this Agreement, Distributor shall have no authority to act or to bind Principal in any way, to alter any of the terms or conditions of Principal's standard forms, to warrant or to execute agreements on behalf of Principal, or to represent that Principal is in any way responsible for the acts or omissions of Distributor.
2. Preamble and Headings. The preamble to this Agreement and the Exhibits hereto constitute integral parts hereof. In the event of any inconsistency or discrepancy between the provisions of this Agreement and the provisions of its Exhibits, the provisions of this Agreement shall prevail. The section headings of this Agreement are intended solely for convenience and are not to be given any consideration in the interpretation of this Agreement.
3. Entire Agreement and Amendments. This Agreement, together with the Exhibits and other documents specifically attached or referred to herein, constitutes the entire agreement between the

Parties with respect to the subject matter hereof, and supersedes all prior understandings, promises, representations, agreements and negotiations between the Parties. This Agreement may be modified or amended only in writing, signed by duly authorized representatives of both Parties.

4. No Waiver. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision.
5. Assignment. Distributor shall not be entitled to assign its rights and obligations under this Agreement without the prior written consent of Principal and any attempt of transfer or assignment without such consent shall be null and void.
6. Governing Law & Interpretation. This Agreement shall be governed solely by and construed in accordance with the laws of Canada, that apply to agreements made and performed in that state, without regard to its choice of law provisions. For purposes of litigating any dispute that arises under this Agreement, the Parties hereby submit to and consent to the jurisdiction of Canada, and further agree that such litigation will be conducted in the courts of Canada.
7. Notices. All notices and other communications required or desired to be communicated by one party hereto to the other shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed facsimile or electronic transmission if sent during normal business hours of the recipient on the same business day, or if not, then on the next business day or (iii) 5 business days after deposit with courier or express mail service (registered or certified mail, postage prepaid). All such notices and communications shall be sent to the respective addresses set forth in the preamble above or to such other addresses as may be designated by notice.
8. Severability. If any provision of this Agreement is held to be void, illegal, invalid or unenforceable, the remaining provisions shall remain valid and enforceable and shall be construed in such a manner as to achieve their original purposes in full compliance with the applicable laws and regulations.
9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized officers as of the day and year first set forth above.

Parent Inc

Name: _____

Title: _____

Signature: _____

Date: _____

Subsidiary Ltd

Name: _____

Title: _____

Signature: _____

Date: _____

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