**MASTER SOFTWARE LICENSE AND DISTRIBUTION AGREEMENT**

This MASTER SOFTWARE LICENSE AND DISTRIBUTION AGREEMENT (this “**Agreement**”) is entered into as of January 30, 2018 (the “**Effective Date**”) by ***Adilas L.L.C.***, a Colorado limited liability company having its principal place of business at 517 Blake St., Salida, CO 81201 (“**ADILAS**”) and ***Integrated Brands Corp*.,** an Alberta Canada corporation having its principal place of business at Suite 308, 7 Tri Leisure Way, Spruce Grove, AB T7X0T3(“**IBC**”) and describes the terms and conditions pursuant to which ADILAS will make the Services (as defined below) available for re-sale by IBC.

## DEFINITIONS

For the purposes of this Agreement, in addition to the capitalized terms defined elsewhere in this Agreement, the following terms shall have the meanings ascribed to them as follows:

* 1. **“Affiliate”** of a party means any corporation or other entity that such party directly or indirectly controls, is controlled by, or is under common control with. In this context, a party “controls” a corporation or other entity if it or any combination of it and/or its Affiliates owns more than fifty percent (50%) of the voting rights for (i) the board of directors, or (ii) other mechanism of control for such corporation or other entity.
	2. **“Customer(s)”** means individuals or entities to which IBC will resell Services or Non-Adilas Applications.
	3. **“Customer Data”** means all electronic data or information submitted by Customers to the Services.
	4. **“Deliverable”** means any software, equipment consultations, documentation and/or other materials prepared by ADILAS for IBC as described in an SOW.
	5. **“Fees”** means the fees (as specified in each Order Form) payable by IBC to ADILAS for the re-sale of the Services to Customers, outlined on Schedule A, or quoted through a SOW as outlined on Schedule B.
	6. **“Initial Term”** has the meaning ascribed to that term in Section 8.1.
	7. **“Malicious Code”** means viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs.
	8. **“Non-ADILAS Applications”** means online applications and offline software products provided by entities or individuals other than ADILAS and are clearly identified as such, and that may interoperate with the Services.
	9. **“Order Form**" means the documents for placing orders pursuant to this Agreement that are entered into between ADILAS and IBC (or Affiliates of ADILAS and IBC) from time to time, including addenda and supplements thereto. By entering into an Order Form pursuant to this Agreement, an Affiliate agrees to be bound by the terms of this Agreement as if it were an original party to this Agreement. Order Forms shall be deemed incorporated into this Agreement by reference.
	10. **“Professional Services”** means the services to be provided by ADILAS to IBC as described in an SOW, which may include, without limitation, engineering, maintenance, installation, design consulting, business planning, network planning and analysis.
	11. **“Renewal Term”** has the meaning ascribed to that term in Section 8.1.
	12. **“IBC Agent”** means a person or entity that IBC appoints to market, promote or re-sell Services on behalf of IBC.
	13. **“IBC Data”** means all electronic data or information submitted by IBC to the Services.
	14. **“Services”** means the products and services that are ordered by IBC pursuant to an Order Form and made available by ADILAS online and/or other web pages designated by ADILAS, including associated offline components, for an Enterprise Resource Planning system for the cannabis industry and includes modules for growhouse operations, dispensary operations, manufacturing facilities, distribution operations, e-commerce, online ordering, online menu and delivery operations. Additional functionality and modules will continue to evolve. “Services” exclude Non-ADILAS Applications.
	15. **“Statement of Work”** or **“SOW”** means a statement of work for Professional Services and/or Deliverables that is executed by the parties.
	16. **“Term”** has the meaning ascribed to that term in Section 8.1.
	17. **“Territory”** means the geographic area specified under the heading “Territory” in Schedule A.
	18. **“Users”** means individuals who are authorized by Customers to use the Services, for whom subscriptions to the Services have been ordered, and who have been supplied user identifications and passwords by IBC (or by ADILAS at IBC’s request, or by automated User Profile functionality (upcoming functionality under development). Users may include but are not limited to Customer’s employees, consultants, contractors and agents, and third parties with which Customers transact business.

## SERVICES

* 1. **Provision of Services.** Conditioned on the provisions in this Section 2 and the other terms and conditions of this Agreement and payment of the applicable Fees, ADILAS hereby appoints IBC, and IBC hereby accepts, for the Term (unless terminated as provided in this Agreement), an exclusive license to resell the Services into the cannabis industry for the country of Canada and a non- exclusive, non-transferable, appointment for the remaining Territory to act as an ADILAS approved reseller of the Services. IBC shall market, promote and re-sell the Services to Customers and potential Customers in the Territory, at its own expense and using its own efforts with its own sales force (including IBC Agents). IBC shall pay ADILAS the Fees set forth in each Order Form which Order Forms will reflect the discount specified in Schedule A. ADILAS shall make the Services available to IBC for re-sale to Customers pursuant to this Agreement and in accordance with the number of Customer licenses and for the subscription terms specified in the Order Forms entered into by ADILAS and IBC. This provision will exclude current ADILAS customers.
	2. **ADILAS Responsibilities for the Services**. ADILAS shall provide IBC with the Services within the Territory for the purpose of the resale to Customers. The Services shall be made available by ADILAS subject to any unavailability caused by circumstances beyond ADILAS’s reasonable control, including any force majeure events as contemplated in Section 10.10 and any computer, communications, Internet service or hosting facility failures or delays involving hardware, software, power or other systems not within ADILAS’s possession or reasonable control, and denial of service attacks. The Services may be temporarily limited, interrupted or curtailed due to maintenance, repair, modifications, upgrades or relocation. ADILAS shall attempt to notify IBC of scheduled and unscheduled network outages that are expected to last more than one (1) hour and that may affect the Services. ADILAS shall be entitled to change the Services during the Term provided that ADILAS will not materially reduce the capabilities provided by the Services.
	3. **IBC Responsibilities.** IBC shall maintain marketing and customer service standards that are appropriate in order to maintain high-quality Services and to reflect favorably on IBC’s and ADILAS’ reputation. IBC shall provide Customers with prompt, courteous, and efficient service, shall take every reasonable precaution not to disclose any Customer information, other than as permitted by any applicable privacy or personal health information legislation, and shall deal with Customers honestly and fairly. IBC shall be responsible for all activities of its Customers and IBC shall (i) use commercially reasonable efforts to prevent unauthorized access to or use of the Services and shall notify ADILAS promptly of any such unauthorized access or use; and (ii) comply with all applicable local, state, provincial, federal, and foreign laws in respect to the promotion and re-sale of the Services.
	4. **Mutual Obligations.** Neither party shall by way of statement, act or omission, discredit or reflect adversely upon the reputation of or the quality of the other party or the products or services provided by the other party.
	5. **Customer Contracts.** The Services shall be provided to Customers on terms and conditions that are determined by IBC, in accordance with any applicable regulations. ADILAS shall have no obligation to determine such terms and conditions and ADILAS shall have no obligation to deal directly with Customers or for any customer service activities for or in respect of Customers. IBC shall not make any representations or warranties on behalf of ADILAS or in any way bind or attempt to bind ADILAS contractually or otherwise with any Customer(s).
	6. **Restrictions.** IBC shall not (and shall not authorize any third party to): (a) modify, translate, reverse engineer, decompile, disassemble, create competitive software functionality or create derivative works based on the Services; (b) circumvent any user limits or other timing, use or functionality restrictions built into the Services; (c) remove any proprietary notices, labels, or marks from the Services (except to the extent IBC is so permitted to for the purposes of re-branding the Services); (d) frame or mirror any content forming part of the Services; (e) sell or other wise use Customer data for any reason unless approved by the Customer.
	7. **Ownership and Proprietary Rights.** ADILAS and its suppliers and/or licensors own and shall retain all right, title and interest (including without limitation all patent rights, copyrights, trademark rights, trade secret rights and other intellectual property rights), in and to the Services. IBC agrees that only ADILAS shall have the right to maintain, enhance or otherwise modify the Services. If IBC provides ADILAS with reports of defects in the Services or proposes or suggests any changes or modifications (collectively “Feedback”), ADILAS shall have the right to use and exploit such Feedback including, without limitation, the incorporation of such Feedback into ADILAS’s software products and/or services, including, without limitation, the Services, without any obligation to IBC. Except as expressly set forth in this Section 2, ADILAS reserves all rights and grants IBC no licenses of any kind, whether by implication, estoppel, or otherwise.
	8. **IBC’s Use of Agents and Subcontractors.** IBC may, without the prior written consent of ADILAS, appoint IBC Agents to market, promote and/or re-sell the Services within the Territory, provided that IBC shall continue to be responsible for all of its duties and obligations under this Agreement and for any acts or omissions of any of its IBC Agents, and any acts or omissions of any of its IBC Agents shall be attributed to IBC, and IBC shall: (a) be liable to ADILAS for all losses, costs, damages and expenses of whatsoever nature, that ADILAS may sustain or incur as a result or in connection with any act or omission of any IBC Agent, provided that IBC shall be entitled to the benefit of any limitations in this Agreement to the same extent as if such acts or omissions had been those of IBC and (b) indemnify ADILAS, its officers, directors, employees, agents and Affiliates (including their officers, directors, employees, agents) from and against any and

all actions, causes of action, claims and demands of whatsoever nature caused by, arising directly or indirectly out of, or in connection with any acts or omissions of any IBC Agent, provided that IBC shall be entitled to the benefit of any limitations in this Agreement to the same extent as if such acts or omissions had been those of IBC.

* 1. **Customer Subscriptions.** Unless otherwise specified in the applicable Order Form, access to the Services is purchased as Customer subscriptions on one of four tiers (“Small”, “Medium”, “Large” and “Extra Large”) as outlined on Schedule A. All subscriptions for relevant services will include a one time activation fee for the copyright use.
	2. **Professional Services.** Upon execution of a SOW by the parties and subject to the terms and conditions set forth in Schedule B, IBC may retain ADILAS to provide Professional Services (including the development of Deliverables) for IBC, all as described in such SOW. If IBC submits a purchase order for Professional Services, such order shall not be binding upon ADILAS until accepted by ADILAS. ADILAS shall respond to each such order submitted by IBC within five (5) business days following receipt thereof. Once an order has been accepted, it shall be subject to the terms and conditions of this Agreement (such terms superseding any and all pre-printed terms and/or conditions within such order).
	3. **Customer and IBC Data.** ADILAS shall have the limited right to use the Customer Data and IBC Data to provide the Services in accordance with this Agreement and IBC shall obtain such rights from its Customers for ADILAS. Subject to the limited rights granted to ADILAS pursuant to this Agreement, ADILAS acquires no right, title or interest from IBC or any Customers under this Agreement in or to Customer Data and IBC Data, including any intellectual property rights therein. Customer Data shall remain the property of the Customer.

**3.0 SERVICES SETUP AND OPERATION**

* 1. **Launch of the Services with IBC In Canada.** In order to comply with Canadian government requirements, within 30 days after the execution of this Agreement or as soon as commercially possible, ADILAS will install a copy of the Services onto a network of servers located in Canada for servicing the Canadian Customers, though there is nothing restricting ADILAS from utilizing these same servers for any other customers worldwide. It is understood that if IBC wishes to have Services hosted on servers in Canada, then IBC shall be responsible for server setup costs estimated to be US$22,000 (as referenced in Adilas quote #1434), which may be modified upon final specifications) and that it will take an estimated four to eight weeks to get a server operating in Canada.
	2. **Support**. ADILAS shall provide basic support for the Services to IBC at no additional charge. IBC shall be responsible for providing First Line Support to Customers and Users of the Services. For the purposes of this Agreement, “First Line Support” means (i) fielding each initial call on a Services problem or other inquiry from a Customer or User; (ii) generating and issuing a trouble ticket containing a reference/tracking number to the Customer or User (i.e., provision of a IBC support number to the Customer or User); (iii) to the extent reasonably possible, identifying the problem or performance deficiency in the Services; (iv) by reference to only a troubleshooting guide that may be provided by ADILAS, attempted resolution of the problem; (v) where such problem has not been resolved, preparation of an error notification in relation to the problem or performance deficiency; (vi) managing communications and expectations with the Customer and/or User until the problem is referred to ADILAS; and (vii) escalating the error notification to ADILAS. Under no circumstances will ADILAS be obliged to deal directly with a Customer or User. In the event that there is an outage reported to IBC, ADILAS will have 30 minutes to respond with an estimated time until the outage is cured, and if the outage is expected to be more than one hour long, ADILAS shall provide updates every 15 minutes on the estimated time to get the outage cured. IBC support group may be given resources to request a commercial server farm technician to restart or reboot servers depending on semi dedicated or dedicated status or event.
	3. **White Labeling.** At IBC’s option and paid for by the hour (maybe in template form for replication), ADILAS shall brand the Services with IBC-specific custom branding (“White Label”). If IBC chooses to White Label then the Services shall also be branded with “powered by ADILAS” marks and logos as the parties mutually agree. The Services shall in all cases retain any relevant patent, copyright and/or other intellectual property notices as may be determined to be appropriate by ADILAS. IBC shall provide, in softcopy/electronic format as reasonably specified by ADILAS, the IBC-specific branding to be used to White Label the Services. ADILAS shall only use any IBC-specific branding materials provided to ADILAS for the purposes of re-branding the Services as contemplated in this Section 3.3 and for the operation of the White Labeled Services. Except for the foregoing limited rights, IBC shall retain all right, title and interest in the IBC-specific branding provided to ADILAS.
	4. **Acquisition of Non-ADILAS Products and Services.** ADILAS or third parties may from time to time make available to IBC third-party products or services, including but not limited to Non-ADILAS Applications and implementation, customization and other consulting services. Any acquisition by IBC of such non-ADILAS products or services, and any exchange of data between IBC or its Customers and any non-ADILAS provider, is solely between IBC or the applicable Customer, as the case may be, and the applicable non-ADILAS provider. ADILAS does not warrant or support non-ADILAS products or services, whether or not they are designated by ADILAS as “certified” or otherwise, except as specified in an Order Form. Subject to Section 3.6, no purchase of non-ADILAS products or services is required to use the Services except a supported computing device, operating system, web browser and Internet connection.
	5. **Non-ADILAS Applications and Customer and IBC Data.** If IBC or any of its Customers installs or enables Non-ADILAS Applications for use with the Services, IBC acknowledges that ADILAS has a 3rd Party Solutions page that Customers must condition to allow providers of those Non-ADILAS Applications to access Customer Data and IBC Data as required for the interoperation of such Non-ADILAS Applications with the Services. ADILAS shall not be responsible for any disclosure, modification or deletion of any Customer Data and IBC Data resulting from any such access by Non-ADILAS Application providers. The Services does allow Customers to restrict such access by restricting Customer users from installing or enabling such Non- ADILAS Applications for use with the Services. Additionally, upgrades to a higher level of service may occur depending on API usage, bandwidth and storage requirements. In some cases even Customer upgrade to a dedicated server may be required.
	6. **Integration with Non-ADILAS Services**. The Services may contain features designed to interoperate with Non-ADILAS Applications. To use such features, IBC and Customers may be required to obtain access to such Non-ADILAS Applications from their providers. If additional 3rd Party Solutions are requested, ADILAS reserves and controls the approval and implementation process and will require commission or service increases depending on sever impact.
	7. **ADILAS Protection of Customer Data**. ADILAS shall maintain commercially reasonable administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer Data. ADILAS shall not (a) modify Customer Data except to the extent required to provide the Services, (b) disclose Customer Data except as compelled by law in accordance with Section 5.5 or as expressly permitted in writing by IBC or the applicable Customer, or (c) access Customer Data except to provide the Services and prevent or address service or technical problems, or at IBC’s request in connection with Customer support matters. Because of the unforeseen nature of data storage/security and commercial server farm upgrades, security protection may require Service level increases to in some cases require dedicated servers and or mirrored instances.
	8. **IBC Responsibilities**. IBC shall (i) be responsible for Customers’ and Users’ compliance with ADILAS’s policies and procedures applicable to the Services; (ii) be responsible for the accuracy, quality and legality of the Customer Data and of the means by which it was acquired. IBC shall not: (a) make the Services available to anyone other than Customer and Users; (b) sell, resell, rent or lease the Services outside the Territory; (c) use the Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights; (d) use the Services to store or transmit Malicious Code; (e) interfere with or disrupt the integrity or performance of the Services or third- party data contained therein; or (f) attempt to gain unauthorized access to the Services or their related systems or networks. IBC shall, solely at its own cost, employ at least one (1) experienced sales person who is knowledgeable concerning the functions and advantages of the Services and at least one (1) experienced technical person who is knowledgeable concerning the functions, specifications and advantages of the Services. This experienced technical person shall be responsible for a Canadian cannabis specific User Manual for each vertical and keep these current pertaining to all system updates.
	9. **Usage Limitations.** If ADILAS opts to impose Services limitations on any Customers, such as but not limited to disk storage space, application programming interface calls or any changes to the features or allowances outlined on Schedule A “Fees”, then ADILAS will provide at least two (2) month written notice of such limitations to IBC. Normally, limitations can be resolved by having the Customer upgraded to a higher service level or a dedicated server, which IBC will first attempt to move a Customer to resolve any Service limitations.

## PAYMENT TERMS AND TAXES

* 1. **Customer Pricing and Responsibility.** All fees, rates or charges charged by IBC to Customers for the Services shall be determined solely by IBC. ADILAS shall have no authority or responsibility to determine such fees or other amounts, and ADILAS shall have no responsibility for billing or collecting such fees or any other amounts from Customers. IBC is solely responsible for payment to ADILAS for all Fees for the Services re-sold to Customers. In connection with such activities, IBC will act in all respects for its own account and will be responsible for such matters as credit verification, deposits, billing, collection, and bad debts. ADILAS is obligated only to IBC, with which it is in privity of contract, and not to Customers, with whom ADILAS is not in privity of contract. Customers are not to be deemed third-party beneficiaries of this Agreement.
	2. **Fees.** IBC shall pay all Fees specified in all Order Forms pursuant to Schedule A or as determined by an approved SOW per Schedule B. Except as otherwise specified in this Agreement or in an Order Form, (i) Fees are based on actual usage, and (ii) payment obligations are non-cancelable and Fees paid are non- refundable. Customer subscription Fees are based on monthly periods that begin on the subscription start date and each monthly anniversary thereof; therefore, Fees for Customer subscriptions added in the middle of a monthly period will be charged forward for a full monthly period. Fees are based on Systems and each license requires a System. ADILAS billing period is 28 days. Systems added between the 29th and 31st are split between the 28th and the 1st of the following month. Billing starts on the billing date and reoccurs the following month on that date.
	3. **Payment Terms.** All payments under this Agreement shall be made within thirty (30) days after the receipt of the applicable invoice. All amounts are payable in United States dollars unless specified otherwise on the Order Form or SOW. Any amounts not paid when due shall accrue interest at the lesser of one and one half percent (1.5%) per month (19.57% annually) or the maximum rate allowed by law. Payments not received within thirty (30) days triggers the system inactive and reactivation fees apply.
	4. **Taxes.** Unless otherwise stated, the Fees do not include any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, goods and services, harmonized, sales, or use taxes, assessable by any local, state, provincial, federal or foreign jurisdiction (collectively, "Taxes"). IBC is responsible for paying all Taxes associated with its purchases pursuant to this Agreement. If ADILAS has the legal obligation to pay or collect Taxes for which IBC is responsible under this paragraph, the appropriate amount shall be invoiced to and paid by IBC, unless IBC provides ADILAS with a valid tax exemption certificate authorized by the appropriate taxing authority. For clarity, ADILAS is solely responsible for taxes assessable against ADILAS based on its income, property and employees.
	5. **Withholding.** Though it is estimated that there would be no withholding required by the Canadian government for any of the copyright royalties or associated Fees herein, if there are future Fees that could be susceptible to withholding then ADILAS will work with IBC to reconfigure those Fees to eliminate any potential withholding requirements. This could include IBC paying certain vendors directly or any other allowable modification under law to reduce or eliminate any withholding requirements.

## CONFIDENTIALITY

* 1. **Definition of Confidential Information.** “Confidential Information” means any and all information disclosed by either party to the other which is marked “confidential” or “proprietary”, or which the recipient knows or has reason to know is regarded by the disclosing party as such, including oral information. “Confidential Information” does not include any information that the receiving party can demonstrate by its written records: (a) was known to it prior to its disclosure hereunder by the disclosing party; (b) is or becomes known through no wrongful act of the receiving party; (c) has been rightfully received from a third party authorized to make such a disclosure; (d) is independently developed by the receiving party; (e) has been approved for release with the disclosing party’s prior written authorization; (f) becomes known from normal progression of knowledge; or (g) has been disclosed by court order or as otherwise required by law, provided that the party required to disclose the information provides prompt advance notice to enable the other party to seek a protective order or otherwise prevent such disclosure.
	2. **Obligation.** Neither party will use any Confidential Information of the disclosing party except as necessary to exercise its rights or perform its obligations pursuant to this Agreement or as expressly authorized in writing by the other party. Each party shall use the same degree of care to protect the disclosing party’s Confidential Information as it uses to protect its own confidential information of like nature, but in no circumstances less than reasonable care. Neither party shall disclose the other party’s Confidential Information to any person or entity other than its officers, employees, consultants and legal advisors who need access to such Confidential Information in order to effect the intent of the Agreement and who have entered into written confidentiality agreements with it as least as restrictive as those this Section 5. Upon any termination of this Agreement, the receiving party will promptly return to the disclosing party or destroy, at the disclosing party’s option, all of the disclosing party’s Confidential Information.
	3. **Injunctive Relief.** Each party acknowledges that due to the unique nature of the other party’s Confidential Information, the disclosing party may not have an adequate remedy in money or damages in the event of any unauthorized use or disclosure of its Confidential Information. In addition to any other remedies that may be available in law, in equity or otherwise, the disclosing party shall be entitled to seek injunctive relief to prevent such unauthorized use or disclosure.
	4. **Other Exemptions.** Notwithstanding the foregoing provisions in this Section 5, the parties may disclose this Agreement: (i) as otherwise required by law or the rules of any stock exchange or over-the- counter trading system provided that reasonable measures are used to preserve the confidentiality of the Agreement, (ii) in confidence to legal counsel, (iii) in connection with the requirements of a public offering or securities filing provided reasonable measures are used to obtain confidential treatment for the proposed disclosure, to the extent such treatment is available, (iv) in connection with the enforcement of this Agreement or any rights under this Agreement, provided that reasonable measures are used to preserve the confidentiality of this Agreement, (v) in confidence, to auditors, accountants, legal counsel and their advisors,

(vi) in confidence, in connection with a change of control or potential change of control of a party or an Affiliate of a party, provided that reasonable measures are used to preserve the confidentiality of the Agreement. For any legally compelled disclosure or disclosure pursuant to a court, regulatory, or securities filing, the parties shall reasonably cooperate to limit disclosure.

* 1. **Compelled Disclosure**. If a receiving party is compelled by law to disclose Confidential Information of a disclosing party, it shall provide the disclosing party with prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the disclosing party's cost, if the disclosing party wishes to contest the disclosure.
	2. **Agreement Certificate Allowance**.Notwithstanding any clause in this section 5, the parties agree to issue a certificate in a form similar to Schedule C, that may be used for marketing or other purposes to validate the existence of this Agreement.

## WARRANTIES AND DISCLAIMERS

* 1. **Warranties.** Each party warrants to the other party that: (i) such party is a business duly incorporated, validly existing, and in good standing under the laws of its jurisdiction of incorporation; (ii) such party has all requisite corporate power, financial capacity, and authority to execute, deliver, and perform its obligations under this Agreement; (iii) the execution, delivery, and performance of this Agreement constitutes the legal, valid, and binding agreement of such party; (iv) as of the Effective Date, there is no outstanding litigation, arbitrated matter or other dispute to which such party is a party, which, if decided unfavorably to it, would reasonably be expected to have a potential or actual material adverse effect on such party’s ability to fulfill its obligations under this Agreement; and (v) no consent, approval or withholding of objection is required from any entity, including any governmental authority, with respect to such party’s entering into this Agreement. ADILAS warrants that (i) the Services shall perform materially in accordance with the industry acceptable standard, (ii) subject to Section 3.4 and 3.6, the functionality of the Services will not be materially decreased during a subscription term, and (iii) ADILAS will not transmit Malicious Code to IBC or any Customers provided that if IBC, a Customer or a User uploads a file containing Malicious Code into the Services and later downloads that file, this warranty shall not apply to such file. For any breach of a warranty above, IBC’s exclusive remedy shall be as provided in Section 8.2 and Section 8.6 below.

## 6.2 Disclaimer. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SECTION 6, THE SERVICES ARE PROVIDED “AS IS” AND WITHOUT ANY REPRESENTATIONS, WARRANTIES AND/OR CONDITIONS OF ANY KIND. EACH PARTY AND ITS LICENSORS AND/OR SUPPLIERS MAKE NO OTHER REPRESENTATIONS AND GIVE NO OTHER WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE REGARDING THE SERVICES PROVIDED UNDER THIS AGREEMENT AND EACH PARTY SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED REPRESENTATIONS, WARRANTIES AND/OR CONDITIONS OF MERCHANTABILITY, MERCHANTABLE QUALITY, NON-INFRINGEMENT, DURABILITY, TITLE AND FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, IBC ACKNOWLEDGES THAT ADILAS DOES NOT REPRESENT OR WARRANT OR PROVIDE ANY CONDITIONS THAT THE SERVICES WILL BE ERROR-FREE OR WORK WITHOUT INTERRUPTIONS.

## 7 INDEMNITY

* 1. **ADILAS IP Indemnity.** ADILAS shall defend and/or settle at its expense, any claims, actions or proceedings against IBC to the extent arising out of or relating to any misappropriation or infringement by the Services of any third party’s proprietary or intellectual property right (“IBC Claims”), and ADILAS shall pay all damages finally awarded by a court of competent jurisdiction to such third party against IBC, or any settlement amounts agreed by ADILAS in writing; subject to the conditions that, IBC shall notify ADILAS promptly of any IBC Claims, permit ADILAS to control the defense and settlement of such IBC Claims (provided that IBC may participate with counsel of its own choosing, at its own expense), and assist ADILAS, at ADILAS’s expense, in defending or settling such IBC Claims. ADILAS shall not be liable for any settlement amounts entered into by IBC without ADILAS’s prior written approval. If ADILAS has reason to believe that it would be subject to an injunction or continuing damages based on the Services, then ADILAS shall be entitled to either modify the Services to make it non-infringing and/or remove the misappropriated material, replace the Services or portion thereof with a service or materials that provide substantially the same functionality or information, or, if neither of the foregoing is commercially practicable, require IBC and the Customers to cease reselling, receiving and/or using the Services, as the case may be, and refund to IBC (a) a pro-rata portion of any one (1) time Fees (based on a three (3) year, straight-line depreciation schedule from the date of payment), and any Fees that have been pre-paid by IBC but are unused. The foregoing notwithstanding, ADILAS shall have no liability for a claim of infringement or misappropriation to the extent caused by (i) the combination of Services with any other service, software, data or products not provided by ADILAS, which claim would have been avoided if the Services had not been so combined; or (ii) the use of any material provided by IBC or any Customers; (iii) any use or re-sale of the Services outside the Territory; or (iv) any breach by IBC of this Agreement or by any Customers of any Services policies and/or procedures. THE FOREGOING IS ADILAS’S SOLE AND EXCLUSIVE LIABILITY, AND IBC’S SOLE AND EXCLUSIVE REMEDY FOR ANY INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS.
	2. **IBC Indemnity.** IBC shall defend and/or settle at its expense, any claims, actions or proceedings against ADILAS and its Affiliates and its and their officers, directors, employees and contractors (the “ADILAS Indemnified Parties”) to the extent arising out of or relating to (a) bodily injury or damage to tangible or real property, including death, caused by or arising out of any negligent act or omission of IBC or those for whom IBC is responsible for at law; (b) the provision, use or failure of any product or service provided by IBC; (c) any representations or warranties made by IBC in respect to the Services or any portions thereof beyond those authorized in this Agreement; (d) any infringement or misappropriate of any intellectual property or other rights by any Customer Data; (e) any violation of any law or regulation by IBC or any of its Affiliates or any of its or their officers, directors, employees, contractors or agents; or (f) real or tangible property damage or bodily injury or death caused by the negligent or willful acts or omissions of the IBC or any of its Affiliates or any of its or their officers, directors, employees, contractors or agents in connection with this Agreement (“ADILAS Claims”), and IBC shall pay all damages finally awarded by a court of competent jurisdiction to such third party against any of the ADILAS Indemnified Parties, or any settlement amounts agreed by IBC in writing; subject to the conditions that, ADILAS shall notify IBC promptly of any ADILAS Claims, permit IBC to control the defense and settlement of such ADILAS Claims (provided that ADILAS may participate with counsel of its own choosing, at its own expense), and assist IBC, at IBC’s expense, in defending or settling such ADILAS Claims. IBC shall not be liable for any settlement amounts entered into by ADILAS without IBC’s prior written approval.

## TERM AND TERMINATION

* 1. **Term.** This Agreement shall commence as of the Effective Date and shall continue in effect for an initial term of five (5) years (such initial term referred to in this Agreement as the “Initial Term”). Thereafter, the term of the Agreement shall be automatically renewed annually on the anniversary of the Effective Date for additional five (5) year renewal terms (any such subsequent renewal terms referred to in this Agreement as a “Renewal Term”), unless either party gives written notice of non-renewal to the other party at least sixty (60) days prior to the end of the Initial Term or any Renewal Term hereof. Collectively, the Initial Term and any subsequent Renewal Terms shall constitute the “Term”.
	2. **Termination.** This Agreement may be terminated as follows: (a) if IBC fails to make any payment due hereunder within thirty (30) days after receiving written notice from ADILAS that such payment is delinquent, ADILAS may terminate this Agreement on written notice to IBC at any time following the end of such period; (b) if either party breaches any material term or condition of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice of the breach, the non-breaching party may terminate this Agreement on written notice at any time following the end of such thirty (30) day period; if either party becomes insolvent (i.e., becomes unable to pay its debts in the ordinary course of business as they come due) or makes an assignment for the benefit of creditors, then the other party may terminate this Agreement immediately upon notice; or (c) without cause, with a one hundred and eighty (180) day written notice. If IBC terminates this Agreement, such termination shall not affect IBC’s right to provide Customers with IBC’s own products and services that do not use or depend on the Services or any Deliverables.
	3. **Term of Purchased Customer Subscriptions.** Customer subscriptions purchased by IBC commence on the start date specified in the applicable Order Form and continue for the subscription term specified therein. Except as otherwise specified in the applicable Order Form, all Customer subscriptions shall automatically renew for additional periods equal to the expiring subscription term or one year (whichever is shorter), unless either party gives the other notice of non-renewal at least 30 days before the end of the relevant subscription term. The per-unit pricing during any such renewal term shall be the same as that during the prior term unless ADILAS has given IBC written notice of a pricing increase at least sixty (60) days before the end of such prior term, in which case the pricing increase shall be effective upon renewal and thereafter. Any such pricing increase shall not exceed the Consumer Price Index of the United States for the Services in the immediately prior subscription term, unless the pricing in such prior term was designated in the relevant Order Form as promotional.
	4. **Survival.** The following sections shall survive the termination or expiration of this Agreement for any reason: 1, 2.7, 2.12 (for sixty (60) days after expiration or termination of the Agreement), 5, 6, 7, 8.4, 8.5, 8.6, 8.7, 9, 10, and any payment obligations incurred prior to the expiration or termination of this Agreement.
	5. **Effect of Termination.** Upon expiration or termination of this Agreement, IBC shall cease all use of the Services, or else destroy those copies and provide assurances (signed by an officer of IBC) to ADILAS that it has done so. If termination is effected as a result of clause 8.2 (a) for License Fees or 8.2 (b), then ADILAS shall have the right to directly solicit any Customer that was using the Service. If termination was effected as a result of 8.2(c) then, ADILAS shall not directly or indirectly solicit any Customer that was using the Services for a period of 36 months after termination.
	6. **Rights upon Termination.** Termination is not an exclusive remedy and is in addition to other rights or remedies that may be available. Upon any termination for cause by IBC, ADILAS shall refund IBC any prepaid Fees covering the remainder of the term of all subscriptions after the effective date of termination. Upon any termination for cause by ADILAS, IBC shall pay any unpaid Fees covering the remainder of the term of all Order Forms after the effective date of termination. In no event shall any expiration or termination relieve IBC of the obligation to pay any Fees payable to ADILAS for the period prior to the effective date of termination. If this Agreement is not terminated for a breach by IBC and if each of the parties is amenable to such an arrangement, then for any Customers to whom IBC has sold subscriptions for the Services during the Term, ADILAS will continue to provide Services for such Customers for the remainder of their then-current subscription period (as of the effective date of termination of expiration of this Agreement) subject to payment of the

applicable fees for such Customers and subject to IBC’s continued compliance with the terms and conditions of this Agreement, which shall continue in respect to such Customers. In the interest of absolute clarity on this, it is agreed between both the parties that if the Agreement is not terminated for a breach by IBC and if each of the parties is amenable to such an arrangement, then once the IBC has sold a subscription for the Services to a Customer during the Term, ongoing revenue for the remaining term of such Customer’s subscription (as of the effective date of termination of expiration of this Agreement) will continue to be shared as per the clauses in this Agreement and both parties shall continue to provide services to such Customer in the manner prescribed in this Agreement for the remainder of such subscription term.

**8.7** **Return of Customer and IBC Data.** Upon request by IBC made within thirty (30) days after the effective date of termination or expiration of a Services subscription, ADILAS, will make available to IBC for download a file of such Customer’s Customer Data or IBC Data in comma separated value (.csv) format or FTP along with attachments in their native format. Since IBC is invoicing Customers directly, it will absorb any costs associated with a Customer Data download. After such 30-day period, ADILAS shall have no obligation to maintain or provide any of such Customer‘s Customer Data or IBC Data and shall thereafter, unless legally prohibited, may delete all of such Customer’s Customer Data or IBC’s Data in ADILAS’ systems or otherwise in ADILAS’ possession or under ADILAS’ control. Most cannabis data has to be maintained for many years and ADILAS provides storage options that are usually the best method for the Customer. ADILAS is very complex with over 250+ tables that talk with each other to form up the data and reporting.

## LIMITATION OF LIABILITY

* 1. **WITH THE EXCEPTION OF A PARTY’S OBLIGATION TO PROVIDE INDEMNIFICATION UNDER THIS AGREEMENT AND EACH PARTY’S CONFIDENTIALITY OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY, OR ITS LICENSORS OR SUPPLIERS BY VIRTUE OF THIS AGREEMENT, HAVE ANY LIABILITY TO ANY OTHER PARTY FOR ANY LOST PROFITS OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR FOR ANY INCIDENTAL, PUNITIVE, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY (INCLUDING NEGLIGENCE) AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THE LIMITATIONS SET FORTH IN THIS SECTION 9 DO NOT APPLY TO ANY INFRINGEMENT OR MISAPPROPRIATION BY EITHER PARTY OR ITS CONTRACTORS OF THE OTHER PARTY’S INTELLECTUAL PROPERTY RIGHTS. IN NO EVENT SHALL ADILAS, ITS AFFILIATES OR ITS OR THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, LICENSORS OR SUPPLIERS BE LIABLE TO IBC FOR MORE THAN THE AMOUNT OF ANY ACTUAL DIRECT DAMAGES UP TO THE GREATER OF U.S. $100,000.00 (OR EQUIVALENT IN LOCAL CURRENCY) OR THE CHARGES FOR THE SERVICES THAT ARE THE SUBJECT OF THE CLAIM, WHICHEVER IS LESSER, REGARDLESS OF THE CAUSE AND WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE. THE FOREGOING LIMITATION ON DIRECT DAMAGES SHALL NOT APPLY TO ANY BREACH BY ADILAS OF ITS CONFIDENTIALITY OBLIGATIONS OR ADILAS’S INTELLECTUAL PROPERTY INDEMNIFICATION OBLIGATIONS UNDER SECTION 7.1. THE PARTIES AGREE THAT THIS SECTION 9 REPRESENTS A REASONABLE ALLOCATION OF RISK.**
1. **GENERAL**
	1. **Marketing Activities.** Following the execution of this Agreement, the parties may issue a joint press release highlighting the relationship contemplated by this Agreement. Notwithstanding the foregoing, neither party will publish a press announcement related to this Agreement without prior written consent of the other party.
	2. **Assignment.** Neither party may assign any of its rights or delegate any of its obligations under this Agreement, whether by operation of law or otherwise, without the prior express written consent of the other party, which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, ADILAS or IBC may assign this Agreement (including all Order Forms) with notice to the other party in connection with any merger or acquisition or sale of all or substantially all of either party’s or any of its Affiliate’s assets or stock (such notice to be delivered within thirty (30) days of such assignment). Such assignment will not in any event relieve the assignor of any obligations that accrue under this Agreement prior to any such assignment. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns. Any attempted assignment in violation of this Section 10.3 shall be null and void.
	3. **Waiver and Amendment.** No modification, amendment or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party to be charged. No failure or delay by either party in exercising any right, power, or remedy under this Agreement, except as specifically provided herein, shall operate as a waiver of any such right, power or remedy.
	4. **Choice of Law; Jurisdiction; Venue.** This Agreement shall be governed by the laws of Province of Alberta, Canada, without regard to its conflict of law principles. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta in Edmonton, Alberta, Canada. No choice of laws rules of any jurisdiction shall apply to this Agreement. The application of the United Nations Convention on Contracts for the International Sale of Goods to this Agreement is expressly excluded. The parties confirm that it is their wish that this Agreement as well as all other documents relating to this Agreement, including notices, be drawn up in English only.
	5. **Compliance with Laws.** Each party shall comply with all applicable laws and regulations regarding the general conduct of business including without limitation all relevant anti-corruption and anti- bribery laws, including the United States *Foreign Corrupt Practices Act*. IBC agrees to fully comply with all export, re-export and import restrictions and regulations of all agencies and/or authorities of any applicable countries.
	6. **Notices.** All notices, demands or consents required or permitted under this Agreement shall be in writing and delivered to the addresses set forth above, with a copy emailed to notices@integratedbrandscorp.com and a fax copy sent to 720-420-1886. Notice shall be considered delivered and effective on the earlier of actual receipt or when (a) personally delivered; (b) the day following transmission if sent by telex, telegram or facsimile when followed by written confirmation by registered overnight carrier or certified mail; or (c) one (1) day after posting when sent by registered private overnight carrier (e.g., DHL, Federal Express, etc.); or (d) five (5) days after posting when sent by certified mail. Notice shall be sent to the parties at the addresses set forth on the first page of this Agreement or at such other address as shall be specified by either party to the other in a notice in accordance with this Section 10.6.
	7. **Independent Contractors.** The parties are independent contractors. This Agreement does not create a legal partnership (notwithstanding any use of the term “partner” by the parties, which if used is meant only to convey a spirit of cooperation between the parties), joint venture, agency, employee/employer, relationship, or franchisee/franchisor relationship between the parties. Neither party shall have any right, power or authority to create any obligation or responsibility on behalf of the other.
	8. **Right Of First Refusal –** **Purchase Or License Of Services.**  During the term of this Agreement, if ADILAS receives a third party offer (“Offer”) to either:

 a) acquire the code and intellectual property of the Services relating to the cannabis industry, or

 b) enter into a license for an exclusive long term Master License of the intellectual property of the Services for the cannabis industry outside of Canada, or

 c) acquire more than 50.1% of ADILAS’ voting or economic membership interests,

then ADILAS shall immediately notify IBC of the Offer and provide a copy of the terms of the Offer. IBC shall then have 15 days to elect to fulfill the terms described in the Offer at the same price and subject to the same material terms and conditions as described in the Offer.

* 1. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, such provision shall be changed and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law and the remaining provisions of this Agreement shall remain in full force and effect.
	2. **Force Majeure.** Except for each party’s obligations to pay money, neither party shall be deemed to be in breach of this Agreement for any failure or delay in performance caused by reasons beyond its reasonable control, including but not limited to acts of God, earthquakes, wars, terrorism, communication failures, strikes or shortages of materials, or laws that inhibit the sale of recreational cannabis or cannabis support services in the Canadian market.
	3. **Headings and References.** The headings and captions used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.
	4. **Counterparts.** This Agreement may be executed in counterparts, both of which, when taken together, shall constitute a signed agreement binding upon the parties. Delivery of a signed counterpart of this Agreement by facsimile transmission, in paper copy by courier or regular mail or as an email attachment in PDF format shall constitute valid and sufficient delivery thereof.
	5. **Third-Party Beneficiaries.** IBC hereby acknowledges that there may be third-party beneficiaries to this Agreement.
	6. **Complete Understanding.** This Agreement, including all Order Forms, Statements of Work and Schedules, constitutes the final, complete and exclusive agreement between the parties with respect to the subject matter hereof, and supersedes any prior or contemporaneous agreement.

**IN WITNESS WHEREOF,** the authorized representatives of the parties hereby bind the parties by signing below:

# Acknowledged and Agreed to:

|  |  |
| --- | --- |
| **INTEGRATED BRANDS CORP** | **ADILAS L.L.C.** |
| Signature | Signature |
| Terry Williams | Stephen Berkenkotter |
| Executive Chairman  | Managing Member |
| Date | Date |

## SCHEDULE A

**SALES MINIMUMS, TERRITORY AND FEES**

The following terms and conditions are incorporated into the Agreement.

## SALES

Upon the legalization in Canada of the sale of cannabis for recreational use (“Canadian Legalization Date”), IBC agrees to generate a minimum of US$3,272 of new revenue (“New Revenue Quota”) in each quarter during the term of this Agreement, which is approximately equivalent to 25 ‘Small’ Cannabis Systems noted below. Providing IBC is purchasing a minimum of US$39,270 in Fees on a monthly basis from ADILAS, then IBC will no longer be subject to the New Revenue Quota.

## TERRITORY

IBC shall have the exclusive right to resell the Services for the cannabis industry within Canada and a non-exclusive right to resell the Services worldwide.

## FEES FOR SERVICES

The License Fees will be as specified in each Order Form for each applicable Customer, which Fees will reflect a thirty percent (30%) discount from ADILAS’s standard listed prices for Services for the cannabis industry. The following are the discounted standard listed prices which shall remain the same for the 12 months after the Canadian Legalization Date and may be increased annually no larger than the Consumer Price Index of the United States:



## SCHEDULE B

**PROFESSIONAL SERVICES TERMS AND CONDITIONS**

The following terms and conditions are incorporated into the Agreement.

ADILAS is willing to provide Professional Services (including the development of Deliverables) on a time and materials or fixed price basis according to the terms and conditions set forth in this Schedule B or such other form as the parties may agree in writing. Such Professional Services may include: instruction and training on the use of ADILAS products and services; installation, configuration, maintenance and testing of ADILAS products and services; evaluation, design and implementation of system architectures; business and network planning; and custom software development.

1. **General**. All Professional Services to be performed and Deliverables to be developed by ADILAS at IBC’s request shall be described in a Statement of Work, in the form attached as Appendix A to this Schedule B. Upon execution by authorized representatives of each party, each Statement of Work shall become a part of the Agreement. Each Statement of Work will incorporate the terms and conditions of this Schedule B. In the event of a conflict between the Statement of Work and this Schedule B or the Agreement, this Schedule B or the Agreement, as the case may be, shall prevail.
2. **ADILAS’s Obligations**. ADILAS shall perform Professional Services and develop Deliverables for IBC as described in any Statements of Work agreed to by the parties. ADILAS shall perform such Professional Services and develop Deliverables in a reasonable, professional and workmanlike manner in keeping with industry standards and practices. ADILAS shall be entitled, in its sole discretion, to determine the method and means for performing the Professional Services and developing the Deliverables. IBC acknowledges and agrees that ADILAS may retain the services of independent consultants (“Subcontractors”) from time to time to perform, or to assist ADILAS in performing the Professional Services and developing the Deliverables under this Schedule B or a Statement of Work. ADILAS personnel or Subcontractors shall remain under the direction and control of ADILAS. ADILAS shall in the performance of any Professional Services and development of any Deliverables use reasonable efforts to comply with all IBC procedures and rules which have been communicated to ADILAS in writing.
3. **IBC Obligations**. IBC acknowledges and agrees that performance of Professional Services is heavily dependent upon information and responses to be provided by IBC. Accordingly, in addition to any specific responsibilities set out in the SOW, IBC shall: (i) provide the appropriate and necessary resources, and timely and accurate information and documentation, as reasonably required by ADILAS, to allow ADILAS to perform the Professional Services and develop the Deliverables; (ii) carry out reviews and respond to requests for approval and information on a timely basis; (iii) ensure that ADILAS has available to them personnel familiar with IBC’s requirements and with the expertise necessary to permit ADILAS to undertake and complete the Professional Services; and (iv) IBC shall make available to ADILAS all equipment, material, information, data, network access and/or facilities that ADILAS may reasonably require to carry out its obligations. IBC acknowledges that any delay on its part in the performance of its obligations may have an impact on ADILAS’s performance of its activities under this Agreement or under any Statement of Work and ADILAS shall not be liable for any delay to the extent caused by IBC’s failure to fulfill any of its requirements under the Agreement, this Schedule B and/or any SOW. If the Professional Services are performed on IBC premises or if ADILAS needs to attend at IBC premises for the development of the Deliverables, IBC shall provide to ADILAS such workspace, computers, equipment and software as is reasonably required by ADILAS for the performance of the Professional Services and the development of the Deliverables.

IBC shall designate a Project Management Contact for the purposes of communication with ADILAS. The Project Management Contact shall be the primary point of contact for IBC with ADILAS for matters relating to the provision of Professional Services and development of Deliverables.

1. **Price and Payment**. IBC shall pay ADILAS the fees set forth in the Statement of Work either on a time and materials basis at ADILAS’s then-current price, or on a fixed price per project basis to be negotiated between the parties and set forth in the applicable SOW. IBC shall reimburse ADILAS for all reasonable out of pocket expenses (including travel, lodging and related expenses) incurred by ADILAS in the performance of any Professional Services or development of any Deliverables, provided that such expenses are approved in advance in writing by IBC.

Unless otherwise specified in the Statement of Work, ADILAS shall invoice IBC for fees for Professional Services and development of Deliverables provided pursuant to this Agreement or a Statement of Work on a monthly basis. All such fees shall be paid within thirty (30) days of the date of the invoice.

1. **Term and Termination**. This Schedule B shall remain in effect only during the Term of the Agreement. Unless provided otherwise in a Statement of Work, IBC may terminate a Statement of Work without cause upon thirty (30) days prior written notice to ADILAS. Unless provided otherwise in a Statement of Work, if IBC terminates a Statement of Work for convenience, IBC shall pay ADILAS the full fee for any Professional Services performed (including all other costs for which ADILAS has the right to reimbursement) up to the effective date of termination of such Statement of Work, provided that if the fee for any Deliverables are based on identified milestones being achieved by ADILAS, IBC shall pay ADILAS the pro-rated fee for the next scheduled milestone with such pro-rated fee to be determined based on the percentage of time between the commencement of work on such milestone and the effective date of termination. For greater certainty, if the time from the commencement of work on the next milestone to the scheduled achievement date for that milestone is three (3) months, and if the effective date of termination occurs at the two (2) month point in such timeframe, then IBC shall pay ADILAS two-thirds of the fee for such milestone.

Each party shall be entitled to immediately terminate a Statement of Work for cause in the event of: (i) the material breach by the other party of its obligations under this Schedule B or a Statement of Work, provided that such material breach is notified to such party and is not cured within thirty (30) days of the date of such notice, (ii) the filing of a bankruptcy petition by or against a party, the filing of an assignment for the benefit of creditors, the appointment of a receiver or trustee, (iii) the assignment or attempt to assign the Agreement to a third party (except as permitted in the Agreement). In the event of termination for cause, the non-defaulting party may terminate this Schedule B and any Statements of Work hereunder. The non-defaulting party’s right to terminate shall be in addition to any other rights that it may have in law or in equity.

1. **Intellectual Property Rights**. Except as set forth in the Agreement or otherwise set forth in the relevant Statement of Work, ADILAS shall own all right, title and interest and all intellectual property rights to any Deliverables created by ADILAS pursuant to this Schedule B or any Statement of Work hereunder. ADILAS shall retain all right, title and interest and all intellectual property rights to any and all ADILAS proprietary information and ADILAS software (including, without limitation, any modifications to the Services). Subject to payment of the applicable fees set forth in the Statement of Work, ADILAS grants to IBC the same license to use the Deliverables created pursuant to this Schedule B or any Statement of Work for the purposes described in the accompanying Statement of Work.
2. **Indemnification**. Each party shall indemnify and defend the other party against any claims and costs awarded by a court of competent jurisdiction (including reasonable attorney’s fees) arising out of or relating to the other party’s negligence or intentional misconduct where actions result in death or bodily injury to any person or damage to tangible or real property, provided that: (a) the indemnified party gives the indemnifying party prompt notice in writing of each claim received by the indemnified party, (b) the indemnified party gives the indemnifying party the right to control and direct the investigation, defense and settlement of each claim, and (c) indemnified party has not compromised or settled the claim.
3. **Non-Solicitation**. IBC shall not enter into a contract for or of service with an employee of ADILAS who has been involved with, directly or indirectly, any of the Professional Services or development of any Deliverables hereunder within twelve (12) months of such employee's last involvement with such Professional Services or Deliverables. IBC shall be permitted to make generalized employment searches, by advertisements or by engaging firms to conduct searches which are not focused on the employees of ADILAS.

Appendix A

Form of Statement of Work

The following is a Statement of Work and Price Estimate for .

PROJECT TITLE PROJECT DESCRIPTION WORK PLAN SUMMARY

Professional Services Overview Scope of Work and Deliverables

PROJECT PURPOSE DELIVERABLES

DELIVERABLE SPECIFICATIONS PROJECT ASSUMPTIONS

PROFESSIONAL SERVICES SPECIFICATIONS

Milestones

Project Management Contact PRICE AND PAYMENT

Estimated Price PROJECT TERM

**Schedule C – Certificate Of License**

