



PURCHASE ORDER TERMS AND CONDITIONS - USA

By submitting a purchase order or otherwise ordering products ("PO") from My Heart Is In LLC (Trade Name: Chak Products), ("Chak Products"), the customer identified on the PO ("Customer") agrees to be bound by the following terms and conditions ("Terms"):

ACCEPTANCE OF ORDERS. All POs are subject to acceptance by Chak Products in writing. No terms and conditions of any letter, Customer purchase order, invoice or other document submitted by Customer in connection with a PO shall amend, add to, vary or modify these Terms. No failure by Chak Products to object to such terms or conditions shall be deemed to be a waiver of this provision. Chak Products reserves the right to amend, modify or revise these Terms from time to time. The parties acknowledge and agree that the terms and conditions of any unexpired agreement executed by the parties, if any, shall apply to the supply of Products (a "Supply Agreement"). To the extent of any conflict between these Terms and the terms and conditions of a Supply Agreement, such Supply Agreement shall prevail to the extent of such inconsistency, provided however that upon the expiration or termination of such Supply Agreement these Terms shall prevail.

PRODUCTS, PRICES AND CHANGES. The products covered by these Terms are those specifically identified in the PO, upon acceptance by Chak Products ("Products"). All prices are in US dollars unless otherwise indicated. Chak Products reserves the right to change the price for any of the Products from time to time on written notice to Customer. Upon receipt of a notice of a price increase, Customer has the right to cancel a PO or any portion thereof for Products affected by such price increase provided such Products have not been shipped. Chak Products may make changes to or discontinue Products at any time but shall provide Customer with notice if any such changes affect Products subject to a pre-existing and unfulfilled PO. In such event, Chak Products shall use reasonable efforts to substitute a Product acceptable to Customer, in Customer's sole discretion, failing which either party may cancel all or any portion of a pre-existing and unfulfilled PO by giving written notice to the other party and neither party shall be liable to the other for any damages that may result from such cancellation.

INSPECTION. Customer shall have the right to inspect (i) all packaged Products within 10 business days from the date of delivery. During the applicable inspection period, Customer shall have the right to notify Chak Products that it wishes to reject Product(s) that do not meet the product specifications contained on the PO (the "Specifications"). The Product rejection process shall be as follows: (i) if Customer proposes to reject Product, then it agrees to immediately notify Chak Products, identifying the date of the shipment by Chak Products, the PO number, the batch number, and providing evidence that such Product does not meet the Specifications; (ii) if Chak Products does not agree that such Product does not meet the Specifications, then a

sample of such Product shall be submitted to an independent third party acceptable to both parties acting reasonably, whose determination shall be final and binding on the parties, and the cost of which shall be borne by the incorrect party; (iii) if Customer accepts and/or uses the Product, or if the independent third party determines that such Product met the Specifications, then Customer is deemed to accept such Product and shall make no further claims with respect to same; (iv) if Chak Products agrees that such Product does not meet the Specifications, or if the independent third party determines that such Product did not meet the Specifications, then Chak Products agrees to refund or credit Customer within ten business days for such Product, or replace such Product, as determined by Chak Products in its sole discretion, all at Chak Products's cost. Following the applicable above mentioned inspection period, Customer shall not be permitted to return any Product without Chak Products's prior written consent. **RESTRICTIONS.** Customer shall not: (i) modify, use or dispose of Products other than in accordance with applicable laws and regulations; (ii) use or sell any Product after its recommended date; (iii) use Products for any non-commercial purpose; or (iv) supply Products to any person for personal/household use. Customer hereby indemnifies and holds harmless Chak Products for any and all claims, damages and losses arising from, or made by persons with respect to, items (i), (ii), (iii) and (iv) above.

PAYMENT. Customer shall pay Chak Products the prices invoiced plus all taxes, duties, charges or any other impost of a similar nature ("Taxes"). Unless otherwise set out on the PO, all invoices shall be payable in full within 30 days of the invoice date by electronic funds transfer, credit card or by cheque. Customer may not make deductions or offsets of any kind from payments due to Chak Products unless Chak Products has provided its prior written consent, which may be withheld in Chak Products's sole discretion. If any invoiced amounts are not paid on the applicable due date, Customer shall be in arrears and such amounts shall bear interest, after the due date until paid in full, at a rate of 1.5% per month calculated and payable monthly (18% per year), with interest on overdue interest accruing at the same rate. In addition, Chak Products may, without waiving any other rights or remedies to which it may be entitled: (i) deduct or offset any unpaid amounts owing after the applicable due date against any payments owing from Chak Products to Customer; (ii) refuse to ship ordered Products; and/or (iii) seek collection from Customer of any unpaid amounts, including reasonable legal fees incurred and costs of collection.

LABELLING & FREIGHT. If Chak Products is private labelling Products for Customer, Customer acknowledges that it has independently verified and confirmed that the labelling and packaging of the Products are fit for Customer's intended purpose, regardless of whether or not Chak Products may have assisted in the creation or design thereof. Unless otherwise set out in the PO, all prices are F.O.B. Chak Products's facility or warehouse and shall be shipped at Customer's expense, plus shipping and handling charges, by the carrier of Chak Products's choice. For international customers, if pricing is described as "delivered" (or any similar term), such pricing shall be D.A.P. the port closest to the Customer. Products shall be labelled in accordance with US country of origin laws. Customer is responsible for taxes, duties and levies applicable in the destination country of the Product.

TITLE AND RISK OF LOSS. Title and risk of loss of, or damage to, Products shall pass to Customer at the time of delivery of Products to the carrier at Chak Products's warehouse or facility as applicable. In the case of international customers receiving delivered pricing, such title and risk of loss or damage shall pass to Customer upon arrival at the destination port.

PARTIAL SHIPMENTS. Chak Products shall use reasonable efforts to meet the requested delivery dates for Products specified in the PO. Chak Products reserves the right to ship any PO in part, and such shipments may be invoiced separately. Delay in delivery of a PO or any part of a PO shall not relieve Customer of its payment obligations for the PO or the remaining part thereof.

LIMITED WARRANTIES. Subject to the Sections entitled LIMITATION OF LIABILITY, THIRD PARTY CLAIMS, and STORAGE, Chak Products hereby warrants that Products: (i) shall meet the Specifications until the earlier of: (A) the expiration date set out on the product label. To the maximum extent permitted by law, all other warranties, conditions or representations not specifically included in these Terms, including without limitation those with respect to merchantability or fitness for any particular purpose, whether express, implied, statutory or arising from a course of dealing or usage of the trade, are expressly excluded.

STORAGE. It is Customer's responsibility to ensure that Products are safely stored in accordance with applicable law and to monitor the storage conditions and any effects they may have on the Specifications.

LIMITATION OF LIABILITY. Regardless of the basis on which Customer is entitled to claim damages (including fundamental breach, negligence, misrepresentation, or other contract or tort claim) from Chak Products, Chak Products is liable to Customer for no more than the amount of Customer's actual direct damages, up to the actual purchase price of the Product in the PO that is the subject of the claim. This limitation of liability is cumulative and not per incident. Under no circumstances is Chak Products liable to Customer for any of the following, even if advised or informed of their possibility: (i) special, incidental, indirect, consequential or punitive damages; (ii) lost profits, business, revenue, goodwill, or anticipated savings; (iii) loss of, or damage to, any equipment; (iv) Customer's negligence; (v) misuse or modification of Product after delivery; or (vi) the combination of Product(s) with other product(s) or item(s). Nothing contained herein shall restrict or limit Customer's liability to Chak Products, and Customer shall contribute to any liability to the extent of the contributory and/or relative fault of Customer.

THIRD PARTY CLAIMS. Subject to the Section entitled LIMITATION OF LIABILITY, if a third party claims that Products infringe a third party's patent, copyright or trade-mark in the jurisdiction from which the Product is shipped, Chak Products shall, at its expense, defend Customer against that claim and pay all costs, damages and reasonable legal fees that a court finally awards or that are included in a settlement approved by Chak Products. If such a claim is made or appears likely to be made, Chak Products may, in its sole discretion and at its own expense: (i) resolve the claim in a way that permits continued ownership and use of the affected Products; (ii) replace same with non-infringing products; (iii) modify Products so that they become non-infringing; or (iv) accept the return of the infringing Products and provide a refund for such infringing Products. This Section is a conclusive statement of Chak Products's entire liability and responsibility regarding any claim of infringement and Customer's sole and exclusive remedy in connection therewith, and nothing in these Terms or elsewhere shall obligate Chak Products to provide any greater indemnity to Customer.

Chak Products shall exclusively control the defense and settlement of any infringement claims it assumes on behalf of Customer. Chak Products shall not enter into any settlement that imposes any liability or obligation on Customer without Customer's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. The parties shall cooperate in the settlement or defense and give each other full access to all relevant information. Chak Products is not obligated to indemnify or defend Customer with respect to the claim (or portions of the claim) if Customer fails to promptly notify Chak Products of the claim and fails to provide reasonable cooperation and information to defend or settle the claim if, but only to the extent that such failure prejudices Chak Products's ability to defend or settle the claim. Chak Products's assumption of the defense of the claim does not constitute an admission that it is required to indemnify Customer.

INSURANCE. Customer maintains, and agrees to continue to maintain, such policies of insurance as are appropriate for Customer's business and the Products being purchased, in the amounts, and against the risks, as are customarily carried and insured against by owners of comparable businesses, properties and assets.

TERMINATION. If Customer: (i) breaches these Terms; or (ii) becomes insolvent, commits an act of bankruptcy, enters into any arrangement or composition with its creditors, goes or is put into liquidation or has a receiver appointed over any part of its business assets, then, in addition to and without prejudice to any other rights or remedies to which it may be entitled at law or in equity, Chak Products may terminate any unfulfilled PO and recover from Customer, at Customer's expense, any Products not paid for as of the date of termination together with any Products on which Chak Products may have a purchase money security interest.

FORCE MAJEURE. Neither party shall be liable to the other party for non-performance or delay in performance of any of its obligation under this Agreement (other than Customer's payment obligations for Product) due to causes reasonably beyond its control including, but not limited to: fire, flood, epidemic, natural disasters, strikes, lock-out, labor trouble, other industrial disturbances, lack of raw materials, unavoidable accidents, governmental regulations and/or changes in law, war, riots, terrorism, termination and insurrections. Upon the occurrence of a force majeure event, the affected party shall immediately notify the other party with as much detail as possible and shall promptly inform the other party of any further developments. Immediately after the cause is removed, the affected party shall perform such obligations with all due speed. Should any force majeure event continue for 30 days or more, either party may terminate this Agreement upon notice to the other party.

INTELLECTUAL PROPERTY. Customer acknowledges that as between the parties, all intellectual property used on, embodied in, or related to Products belong to and shall be the exclusive property of Chak Products, and Customer shall not make use of any such intellectual property without the express written authorization of Chak Products.

ASSIGNMENT. Customer shall not assign these Terms in whole or in part without the prior written consent of Chak Products and any assignment without such prior written consent shall be void. Chak Products may, by providing notice to Customer, assign these Terms to any person. Subject to the foregoing, these Terms shall enure to the benefit of and be binding upon the parties and their respective successors and assigns.

GOVERNING LAW. These Terms shall be governed by and construed in accordance with the laws of the jurisdiction from which the Product is shipped and shall be treated in all respects as a contract executed in such jurisdiction. Each party hereto irrevocably submits to the exclusive jurisdiction of the courts of such jurisdiction with respect to any matter arising hereunder or in relation to this Agreement, and shall be the exclusive forum for all actions arising hereunder. The application of the *United Nations Convention on Contracts for the International Sale of Goods* is hereby expressly excluded. The Parties confirm that it is their wish that these Terms and any other documents delivered or given under this Agreement, including notices, have been and will be in the English language only. *Les parties aux présents confirment leur volonté que cette convention de même tous les documents, y compris tous avis, s'y rattachant, soient rédigés en anglais seulement.*

ENTIRE AGREEMENT. These Terms and the Supply Agreement, if any, constitute the entire agreement between Chak Products and Customer with respect to Products and supersede all prior agreements,

arrangements, understandings, negotiations and discussions, whether oral or written, except for any non-disclosure and/or confidentiality agreements, which shall continue until they expire pursuant to their terms. No supplement, modification or waiver of these Terms shall be binding unless executed in writing by the parties. No waiver of any particular term, condition or breach of these Terms shall constitute a waiver thereof nor a waiver of a party's right at any time thereafter to require strict compliance with all the terms and conditions of these Terms.

SURVIVAL. The parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, or expiration of this Agreement, including but not limited to those rights and obligations of the parties set forth in the Sections entitled LIMITED WARRANTIES, LIMITATION OF LIABILITY, INTELLECTUAL PROPERTY and THIRD PARTY CLAIMS shall survive such termination, cancellation or expiration.

SEVERABILITY. If any one or more of the provisions contained in these Terms shall be declared invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired, and in such case, the parties hereto oblige themselves to reach the purpose of the invalid provision by a

new, valid and legal stipulation.