



## Clone Purchase Agreement

between Humble Bee Gardens, Inc. and Buyer

Both Buyer and Seller agree to the following:

This Clone Purchase Agreement is between Humble Bee Gardens, Inc. a company incorporated in the state of Oregon ("Seller") with principal offices located at 488 Caves Camp Rd., Williams, OR and \_\_\_\_\_, a corporation incorporated in the state of Oregon ("Buyer") with principal offices located at \_\_\_\_\_.

Whereas, Seller is compliant with both the federal legislation contained in the 2018 Farm Bill and the legislation of the state of Oregon with regards to the production of industrial hemp and holds an active industrial hemp grower registration number AG-R1057982IHG, Handler registration number AG-R1061848IHH, Agricultural hemp seed registration number AG-R1057982AHS, as well as the (nursery) greenhouse grower of Herbaceous Plants registration number AG-L1058022NGH.

Whereas, Seller has acquired mother clones from a registered nursery in the state of Colorado and has reproduced additional clones from these clones. The Seller has been provided by the supplier with copies of the certificates of analysis, which state that the level of THC is within acceptable level established under the law. Seller asserts that a copy of the COA of the mother clones as well as a copy of the COA of the clones covered by this clone purchase Agreement has been provided to the Buyer.

Whereas, Buyer asserts that it is compliant with the legislation contained in the 2018 farm bill and the legislation of the state of Oregon with regards to the production of industrial hemp and holds hemp growers license number AG-XXXXXXXXXX.

Whereas Buyer acknowledges that he has received both the COA of the supplier in Colorado as well as the COA supplied by Seller.

1. Subject to the terms and conditions contained in this Agreement, Seller shall deliver ordered clones to Buyer at the unit price of \$5.00 per one unit. The parties agree that such payment is to be made in cash, money order, check or bank transfer for which Seller will provide a receipt to Buyer. Both Buyer and Seller agree to interchange copies of licenses and or registrations with each other before delivery of the product. Upon making the purchase order Buyer shall make a deposit with Seller in an amount equal to 50% of the order for the Seller to set aside the requisite amount of cuttings which Seller has available. Such deposit will be governed as follows.

A. In the case that the transaction goes through the deposit will be deducted from the full total price. In the case that Seller is not able to deliver the product within 30 days of agreement, then, the full amount of the deposit will be returned to Buyer.

B. In the case that Buyer decides unilaterally and without reasonable cause to not perform the obligations established in this Agreement then Seller shall attempt to sell the product to a third party. Should Seller be successful in selling the product within 30 days of the non-execution by the Buyer of this Agreement then the Seller will return the deposit to the Buyer, less any expenses incurred. Should Seller not be successful in selling the product to a third party within the same timeframe then Seller shall retain the deposit which will be forfeit to the Buyer.

2 – Seller has presented all products to the best of their knowledge and belief in all manners of communication with the Buyer. This Agreement supersedes all prior communications with the Buyer, and the Buyer should look to this Agreement for the final understanding between the parties.

3 – Product delivery will be at the installations of the Seller. The Buyer is responsible for the transportation of the product to its final destination. The sale shall be considered final once the product leaves the installations of the Seller. Seller shall deliver to the Buyer the product in 72 unit trays. The Buyer is responsible for packaging these trays in suitable boxes and or other containers for shipment to its final destination. The product is a perishable item and requires specific ambient conditions depending upon the length of the journey to arrive at its final destination. The Buyer is responsible for ensuring that the transportation carrier provides such ambient conditions and has instructed transportation staff with the required training and instruction. Boxes may shift during transportation, and the Buyer is responsible for ensuring that the packaging material is adequate to avoid damage to the product during transportation. Transport vehicles used in the transportation of the product should be free of toxic materials as these may damage the product. The Buyer should ensure that the transport vehicles are sterile and have no contamination of past transport of toxic materials. The Buyer is responsible for any and all paperwork associated with the interstate transportation of products purchased from Seller. Seller makes no assertions with regards to the adequacy of the paperwork provided for the purpose of transportation into particular states of the product. The Buyer should take legal advice with regards to the transportation requirements of a particular state.

4 – Before the completion of the transaction and delivery of the product, Seller requires that both parties sign this Agreement.

5 – Buyer agrees to acknowledge Seller as to the supplier of the clones in all publications that the Seller issues and provide Seller with a copy of such. The Buyer should obtain Seller's permission before indicating such in any publication.

6 – Buyer acknowledges that the product will perform differently given the vast range of variables of all growing environments and methods. As a result, no warranties are given to the performance, nature, or any other aspect of the product. The Buyer acknowledges that he has physical copies of all the relevant COAs and that Seller does not make any representations with regards to the level of potency of the final product harvested by the Buyer either in the level of CBD content nor in the level of THC content. The Buyer is aware that a significant portion of the methodology to arrive at legal limits of THC content is dependent upon appropriate farming techniques and procedures. Seller is not responsible for the level of THC content that ultimately is reported by independent testing of the harvest crops. The Buyer is solely responsible for the performance of products once delivered.

7 – Advice and or suggestions given by the Seller in any and all communications and or publications is given in good faith and shall not be considered a representation by Seller nor does Seller assume any liability for such.

8 – Seller believes all products delivered to be free of disease and pests. As these issues may be acquired at any time from a large variety of sources, Seller can make no guarantees in this regard. The Buyer is responsible for inspecting the product before shipping/delivery. At Buyer's request, Seller shall make reasonable efforts to present a product for inspection, including physical and or digital presentation of the product. The Buyer cannot return the product once the product has left the installations of Seller. Seller is not responsible for any product once it leaves its installations.

9 – Buyer assumes all liability for damages related to and/or stemming from the product once it leaves the installations of Seller. Buyer will indemnify, hold harmless, and defend Seller from and against any and all claims, demands, liabilities, losses, damages, money judgments or expenses [including attorney fees] arising out of the research, testing, use, manufacture, storage, farming, harvesting, and disposal of the product. Seller acknowledges that the product was obtained without any restrictions contained within the

Agreement between Seller and Seller's supplier with regards to propagation from Mother plants to clones. Seller believes that no restrictions as to further propagation exist with the product. However, due to the nature of the product, Seller cannot make a warranty or representation to this effect. Seller, therefore, assumes no liability regarding potential litigation or demands made by third parties claiming rights of use derived from the sale of these products.

10 – the parties agree that the contents of this Agreement are confidential, and neither party is authorized to disclose the contents to a third party without the consent of the other. With the exception of requests for information from government authorities, including courts of law, the parties agree that such are regulated by the statutes of the particular political entity and to the extent that immediate disclosure of this contract is required by law, then the party requested to provide information shall do so but will be required to provide the other party with notification within 24 hours of being notified that they must legally disclose the information.

11 – The Seller agrees to provide Buyer with a COA dated within 30 days from the date of delivery of the product.

12 - Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and must be given by personal delivery, by registered mail or by electronic means of communication addressed to the recipient as follows:

To Buyer:

[FULL ADDRESS]

Telecopier: [FAX NUMBER]

Attention: [NAME]

To Seller

Humble Bee Gardens, Inc.

488 Caves Camp Road, Williams, OR 97544

Telecopier: 888-762-6462

Attention: Philip Gardiner

Or to such other address, individual or electronic communication number as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, within two (2) business days following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such demand, notice or other communication.

This Agreement is governed by and construed in accordance with laws and legislation of the state of Oregon.

Agreed to by:

---

Philip Gardiner

Title: CEO

Humble Bee Gardens, Inc.

Seller Company Name

Date

---

Name:

Title:

---

Buyer Company Name

Date