

CONFIDENTIALITY AGREEMENT

This confidentiality agreement (this “**Agreement**”) contains the terms and conditions under which the Receiving Party (hereafter referred to as, the “**Retailer**”) agrees to be bound prior to engaging in discussions with Ontario Cannabis Retail Corporation (“**OCRC**”) with respect to a potential retailer agreement, which shall be entered into between the parties at a later date, for the purchase at wholesale of cannabis products from the OCRC by the Retailer (the “**Retailer Agreement**”) and related preparations for the launch of the Retailer’s business operations (collectively, the “**Project**”).

Upon acceptance by Retailer of the terms and conditions of this Agreement, OCRC will provide Retailer with certain Information (as hereinafter defined) belonging to it.

Definitions:

- (a) “**Information**” shall mean any and all information (whether or not marked as “confidential” or “proprietary”) provided at any time and in any form, directly or indirectly, by or on behalf of OCRC to Retailer in connection with the Project, and includes, without limitation: (a) information related to the business affairs, suppliers or customers of OCRC; (b) information related to the products or services supplied by third parties to OCRC; (c) financial or accounting information; (d) market-related information, including strategic and market-research data, strategies or techniques, pricing, product positioning, differentiation or clinical data; (e) data related to computer software, hardware or other equipment; (f) proprietary information derived from rights under patent law, copyright law (and moral rights), trade-mark law, industrial design law, semiconductor chip or mask work law, trade secret law, privacy law, or any other statutory provision or common law principle applicable to each Project which may provide a right in: (1) ideas, formulae, processes, enzymes, assays, samples, algorithms, concepts, discoveries, inventions, applications, registrations, technologies, software, data compilations, drawings, specifications, confidential business information, procedures or know-how generally, including without limitation, trade secrets; or (2) the expression thereof; (g) this Agreement or information pertaining to the Project or the Retailer Agreement; (h) Personal Information; and (i) any other information that would reasonably be considered to be of a confidential or proprietary nature.
- (b) “**Personal Information**” shall mean any and all information about an identifiable individual or information which relates to a natural person and allows that person to be identified, including, without limitation, OCRC’s employee information.

Use of Information: Retailer agrees to use the Information furnished to it only as reasonably required for the purposes of discussing, investigating and evaluating the Project and for no other purpose, whether directly or indirectly.

Non-Disclosure: Retailer agrees to: (a) employ adequate safeguards to keep the Information strictly confidential, such efforts to be no less than efforts taken to prevent disclosure of its own confidential or proprietary information of like significance; and (b) ensure the Information is not directly or indirectly: (i) disclosed, in whole or in part, to any other person, except as expressly permitted herein or upon the prior written approval of OCRC, (ii) used, copied, duplicated, reproduced, exploited or

further developed, in any form in whole or in part, except as expressly permitted herein, (iii) sold, assigned, sublicensed, parted with or otherwise transferred or disposed of, and (iv) contracted, incurred or suffered to have exist any claim, lien, charge or other encumbrance without the prior written approval of OCRC. Without limiting the generality of the foregoing, Retailer may disclose the Information to its affiliates, employees, contractors, agents and advisors only on a “need-to-know” basis and provided that, prior to such disclosure: (A) such persons are bound in writing by an obligation of confidentiality to Retailer corresponding in all material respects to the obligations of Retailer under this Agreement; and (B) Retailer adequately advises such persons of their obligations under this Agreement. If Retailer discovers that it has lost any Information it shall immediately notify in writing OCRC.

Exceptions: The obligations of Retailer under this Agreement shall not apply to Information which Retailer can clearly demonstrate: (a) at the time of disclosure, is in or, after disclosure, becomes part of the public domain, through no act or failure on the part of Retailer, whether through breach of this Agreement or otherwise; (b) subsequent to disclosure, is lawfully obtained from a third party which, to Retailer’s knowledge, has the lawful right to disclose such Information and who is not in violation of any contractual, legal, or fiduciary obligation to OCRC with respect to such information; (c) prior to disclosure by OCRC, was already in the possession of Retailer, as evidenced by written records kept by Retailer in the ordinary course of its business, or as evidenced by proof of actual prior use by Retailer; (d) is independently developed by Retailer, by persons having no direct or indirect access to the Information provided that Retailer provides clear and convincing evidence of such independent development; or (e) is required to be disclosed by law or judicial order, provided that prior to disclosing any Information, Retailer shall notify and cooperate with OCRC to lawfully limit and/or obtain appropriate protective orders with respect to such portion(s) of the Information subject of any such required disclosure.

Injunctive Relief: In the event of a breach or threatened breach of this Agreement by Retailer, Retailer agrees that, in addition to any remedy at law that OCRC may have for damages, OCRC shall be entitled to temporary and permanent injunctive relief prohibiting any and all use and disclosure of Information and such injunctive relief shall not limit any other remedies which OCRC may have as a result of a breach of the covenants contained herein.

Return of Information: Retailer agrees that OCRC shall have the right to demand at any time the immediate return of the Information and any and all copies thereof, if any, in the possession of Retailer and Retailer shall forthwith return the same. In the event that Retailer determines that it does not wish to pursue any further discussions, investigations and evaluations or enter into further business arrangements with OCRC in connection with the Project, it will promptly inform OCRC of that decision. Upon OCRC’s request, Retailer shall promptly return to OCRC all Information together with any and all copies thereof and will promptly destroy any and all memoranda, notes, reports, documents, and software containing copies, extracts or reproductions thereof in its possession, power or control. Upon request, Retailer will certify the return and/or destruction of the Information by a certificate of one of its senior officers. The return of such documents and Information shall in no event relieve Retailer of its obligations of confidentiality set out in this Agreement with respect to such returned Information.

Public Notices: The Retailer shall not (orally or in writing) publicly disclose, issue any filing or press release or make or cause to be made any other similar public announcement, or otherwise communicate with the media, concerning the existence of this Agreement or the subject matter hereof, without the prior approval of OCRC (which will not be unreasonably withheld).

Term: This Agreement shall expire upon the execution by the parties of a Retailer Agreement. If no Retailer Agreement is signed, this Agreement shall expire on the date that is five years after the date hereof.

Liability: OCRC makes no representation or warranty in relation to any of the Information, its adequacy, accuracy, or suitability for any purpose, and OCRC shall not be liable to Retailer for any loss or damage arising from the use of the Information howsoever caused. Retailer shall indemnify and hold OCRC and its affiliates and their respective directors, officers, employees and agents harmless from all loss, damage, injury or liability suffered by same, including reasonable legal fees, arising from, directly or indirectly related to, the improper disclosure, use or handling of the Information by Retailer or any other affiliates, employees, contractors, agents and advisors of Retailer.

Ownership of Information: This Agreement does not grant to Retailer any rights under any patent, trademark, copyright, or any other proprietary right in or to the Information except as specifically set forth in this Agreement. The Retailer acknowledges that ownership of the Information shall at all times remain with OCRC. The Retailer agrees not to remove any copyright, confidentiality or proprietary mark or notice from the Information.

General: The provisions of this Agreement shall be binding upon the Retailer and its permitted successors and assigns. This Agreement shall be interpreted and governed exclusively by the laws of the Province of Ontario and the laws of Canada applicable therein. The Retailer hereby submits and attorns to the exclusive jurisdiction of the courts of the province of Ontario. Failure to insist upon strict adherence to any term of this Agreement on any occasion or the waiver of a breach of this Agreement in any instance shall not deprive OCRC of the right thereafter to insist on strict adherence to that term or any other term in this Agreement or be construed as a waiver of any subsequent breach, whether or not similar. Should any provision of this Agreement be determined to be void, invalid or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect. No modification or change to this Agreement shall be valid unless made in writing and signed by Retailer and OCRC. The acknowledgment of this Agreement does not in any way constitute a binding commitment on the part of either the Retailer or OCRC to enter into or complete negotiations or any transaction with each other. This Agreement constitutes the entire agreement between the Retailer and OCRC with respect to the Project and supersedes all previous negotiations, proposals, commitments, writings and understandings of any nature whatsoever, whether oral or written. The Retailer shall at, its own expense and upon the request of OCRC, promptly execute and deliver all such further acknowledgements, consents, assurances and other documents, and promptly do, or cause to be done, all such further acts and things as OCRC may reasonably request in order fully to effect the purposes of this Agreement.

BY CLICKING THE ACKNOWLEDGMENT BOX, YOU ARE INDICATING THAT THE RETAILER ACCEPTS THIS AGREEMENT AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED HEREIN.