

Subscription Agreement

This Subscription Agreement (this "**Agreement**"), dated as of _____, 2020 (the "**Effective Date**"), is entered into by and between Dental Buying Network Ltd. (the "**Company**") and _____ ("**Customer**").

WHEREAS:

- A. Company has negotiated discount prices (the "**Discount Prices**") with certain distributors, manufacturers and suppliers of products, supplies and/or services (collectively "**Participating Suppliers**").
- B. Customer wishes to take advantage of the Discount Prices which have been negotiated by Company.

NOWHEREFOR, in consideration of the terms and conditions contained herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Discount Price Services.

1.1 Subject to the Subscription Fee (as defined below) being at all times properly paid, Company will communicate with Participating Suppliers such that Customer will be entitled to access the Discount Prices negotiated by Company either (i) directly through the websites of each applicable Participating Supplier or (ii) as may otherwise be indicated by Company.

1.2 Unless otherwise indicated by Company, Customer will place all of its own orders with Participating Suppliers through the websites of Participating Suppliers. If Company communicates an alternative method by which Customer is to access Discount Prices, Customer will be responsible for properly complying with such method.

2. Group Purchasing Services.

2.1 Company will from time to time, in its sole discretion, reach out to Customer and its other customers (each an "**Order Notice**") to solicit orders for certain products, supplies and/or services with certain distributors, manufacturers and suppliers (collectively "**Subject Products**") which will be subject to a greater discount (the "**Additional Discount**"). Such orders (each a "**Volume Order**") may be subject to a minimum volume or order being reached.

2.2 Customer will have 14 – 30 days after receiving an Order Notice to provide Company with written confirmation of the amount of Subject Products (if any) which it wishes to purchase through the Volume Order ("**Customer Subject Products**").

2.3 In the event the purchase of a Volume Order is being facilitated through Company, Customer will provide the applicable payment for the Customer Subject Products

(including all applicable taxes) to Company (or as otherwise indicated by Company) within 14 days of Company providing Customer notice that Customer is to provide such payment.

2.4 In the event that the Subject Products contained in a Volume Order are to be purchased by each individual customer, Customer will provide the applicable payment for the Customer Subject Products (including all applicable taxes) directly to the applicable supplier within 14 days of Company providing Customer notice that Customer is to provide such payment.

2.5 In addition, Company may, through Company's website or portal (the "**Company Website**"), help facilitate other group purchasing opportunities for Customer and other customers of Company.

3. Member Obligations.

3.1 Customer will use commercially reasonable efforts to fill its product needs (to the extent reasonably possible) through orders made through Participating Suppliers.

3.2 Customer will complete Schedule "A" to this Agreement, indicating its estimated annual spending on dental supplies & sundries, along with its estimated percentage purchased from suppliers.

3.3 Following the execution of this Agreement, Company shall from time to time request that Customer provide Company with updates of its estimated spend and the details thereof, and Customer will use commercially reasonable efforts to provide Company with such information in a timely manner.

3.4 In addition, Company may from time to time solicit feedback from Customer with respect to Participating Suppliers and their products, supplies or services provided by a Participating Distributor.

4. Term. This Agreement shall commence as of the Effective Date and shall continue until July 31, 2021 (the "**Initial Term**"). Following the Initial Term, this Agreement will automatically renew for successive periods of one month (each a "**Renewal Term**") until either party provides the other with written notice that it wishes to terminate the Agreement. Collectively, the Initial Term and all Renewal Terms are the "**Term**".

5. Subscription Fee.

5.1 For the access to the Discount Prices and the other services to be performed hereunder, Customer shall pay to Company a subscription fee as follows (collectively, the "**Subscription Fee**"):

- (a) for the Initial Term of the Agreement, a one time payment of \$1,195.00, as will be pro-rated in accordance with Section 5.2 (the "**Initial Fee**"), plus applicable G.S.T.; and

- (b) following the Initial Term, a monthly subscription fee (the “**Monthly Subscription Fee**”), to be set in accordance with Section 5.3, plus applicable G.S.T.

5.2 An Initial Fee of \$1,195.00 is based on an Initial Term of August 1, 2020 to July 31, 2021. Depending on the Effective Date of this Agreement, Customer’s Initial Term may be shorter than this period. Customer’s Initial Fee will be determined by pro-rating the amount of \$1,195.00 to the length of Customer’s Initial Term. The applicable Initial Fee payable by Customer has been set out on Schedule “A”.

5.3 The Monthly Subscription Fee for each Renewal Term will be determined by Company. The initial Monthly Subscription Fee will be communicated by Company to Customer by or before June 30, 2021. Company reserves the right to change the Monthly Subscription Fee upon 30 days’ notice to Customer.

5.4 The Initial Fee is due upon the execution of this Agreement. Beginning on August 1, 2021, the Monthly Subscription Fee will be due on the first date of each month. All Subscription Fee payments are to be made by Customer by way of electronic fund transfer, bank draft, cheque or other agreed upon method of payment.

5.5 Customer shall be responsible for all goods and services, harmonized sale, sales, service, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, provincial, territorial or local governmental entity or regulatory authority on any amounts payable by Customer hereunder; *provided that* in no event shall Customer pay or be responsible for any taxes imposed on, or with respect to, Company’s income, revenues, gross receipts, personnel, or real or personal property, or other assets.

5.6 All late payments under this Agreement shall bear interest at the lesser of the rate of 1.5% per month, compounded daily, or the highest rate permissible under applicable law. Customer shall also reimburse Company for all costs incurred in collecting any late payments, including, without limitation, legal fees on a full indemnity basis. In addition to all other remedies available under this Agreement or at law (which Company does not waive by the exercise of any rights hereunder), Company shall be entitled to suspend access to the Discount Prices (and any other services provided hereunder) if Customer fails to pay the Subscription Fee when due hereunder.

6. Referral Credit. Customer shall receive a credit of \$50.00 (the “**Referral Credit**”) for every new customer of Company that Customer refers to Company. The Referral Credit will become payable upon the payment by the new customer of its Initial Subscription Fee and will be credited against the first Monthly Subscription Fee of Customer which is due after such date.

7. Sale of Products by Company.

7.1 Company may from time to time offer certain products, supplies and/or services for sale directly to Customer (“**Company Sold Products**”).

7.2 Customer will be responsible for all shipping and delivery costs of any Company Sold Products.

7.3 Customer acknowledges that the resale by Company to Customer of Company Sold Products may void the warranty of such Company Sold Products and Customer accepts that such Company Sold Products may have a voided warranty.

7.4 Company will provide Customer with an invoice for any Company Sold Products and, prior to delivery of Company Sold Products, Customer will provide the full payment set out on such invoice, including applicable delivery costs and G.S.T., by way of electronic fund transfer, bank draft wire transfer (in accordance with the wire transfer details above) or other agreed upon method of payment.

7.5 All sales of Company Sold Products are final and Company will have no obligation to accept any returns of Company Sold Products or exchange any Company Sold Products (though Company may, in its sole discretion, opt to accept returns or exchanges of Company Sold Products).

7.6 In the event Customer purchases any Company Sold Products, the additional terms and conditions set out on Schedule "B" will apply to such purchase and sale.

8. Confidentiality.

8.1 From time to time during the Term of this Agreement, either party (as the "**Disclosing Party**") may disclose or make available to the other party (as the "**Receiving Party**"), non-public, proprietary, and confidential information of Disclosing Party, including information regarding pricing, savings, data and business plans (collectively, "**Confidential Information**"); *provided, however, that Confidential Information does not include any information that: (a) is or becomes generally available to the public other than as a result of Receiving Party's breach of this Section 8; (b) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (c) was in Receiving Party's possession prior to Disclosing Party's disclosure hereunder; or (d) was or is independently developed by Receiving Party without using any Confidential Information.*

8.2 Subject to Section 8.5, the Receiving Party shall: (a) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (b) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (c) not disclose any such Confidential Information to any person or entity, except to the **Receiving Party's Group** who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under this Agreement. For purposes of this Section 8 only, Receiving Party's Group shall include the Receiving Party's employees, officers and directors in the case of Company will also include Company's agents, lawyers, accountants and financial advisors and Company's affiliates and their employees, officers and directors.

8.3 WITHOUT LIMITING THE GENERALITY OF SECTIONS 8.1 OR 8.2, THE DISCOUNT PRICES AND ALL OTHER PRICING INFORMATION OF PARTICIPATING SUPPLIERS ARE THE CONFIDENTIAL INFORMATION OF COMPANY AND ARE TO BE KEPT STRICTLY CONFIDENTIAL BY CUSTOMER AT ALL TIMES.

8.4 If the Receiving Party is required by applicable law or legal process to disclose any Confidential Information, it shall, prior to making such disclosure, use commercially reasonable efforts to notify Disclosing Party of such requirements to afford Disclosing Party the opportunity to seek, at Disclosing Party's sole cost and expense, a protective order or other remedy.

8.5 Notwithstanding Sections 8.1 and 8.2, the Company may use general information regarding Customer's practice, without identifying Customer's name, in its solicitation and provision of similar services to other customers and in its negotiations of volume discounts with Participating Suppliers.

9. Termination.

9.1 Either party may terminate this Agreement, effective upon written notice to the other party (the "**Defaulting Party**"), if the Defaulting Party:

- (a) materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within 30 days after receipt of written notice of such breach;
- (b) upon any breach by the Defaulting Party of any of its confidentiality obligations under this Agreement;
- (c) becomes insolvent or admits its inability to pay its debts generally as they become due;
- (d) is dissolved or liquidated or takes any corporate action for such purpose;
- (e) makes a general assignment for the benefit of creditors; or
- (f) has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

9.2 Following the Initial Term, either party may terminate this Agreement upon written notice to the other party.

9.3 Notwithstanding anything to the contrary in this section, Company may terminate this Agreement before the expiration date of the Term on written notice if Customer fails to pay any amount when due hereunder.

9.4 Upon termination of this Agreement for any reason, Customer will not be entitled to a refund or rebate of any Subscription Fee or portion thereof which has been paid by Customer prior to the date of the termination.

10. No Warranty Provided by Company.

10.1 The Company does not own, control, or invest in any Participating Suppliers and Customer:

- (a) acknowledges and agrees that (i) Company makes no warranties with respect to any dental products, supplies or services which may be purchased by Customer pursuant to this Agreement (including any Company Sold Products) nor will it have any responsibility or obligation to make or facilitate any returns or exchanges of any such products, supplies or services and (ii) any warranties of the goods, supplies or and services purchased pursuant to this Agreement are made solely by the applicable Participating Suppliers or third party manufacturers of the products or supplies;
- (b) releases Company from any claims or actions related to any goods, supplies or and services purchased from Participating Suppliers;
- (c) will defend, indemnify and hold harmless Company from any direct or indirect damages or losses (including, without limitation, consequential damages and loss of revenues, loss of profits and loss of opportunity), costs (including solicitor-client costs on a full-indemnity basis), claims or actions arising from or connected to any transaction between Customer and a Participating Supplier or any breach of Customer's confidentiality obligations under this Agreement.

10.2 Company will use commercially reasonable efforts to ensure that all Participating Suppliers properly update their systems to provide the Discount Prices to Customer. However, Company has not vetted or screened any of the Participating Suppliers and Company takes no responsibility and will have no liability with respect to the proper functioning of the internal systems of Participating Suppliers.

11. Limitation of Liability. IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE, OR PROFIT, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO

COMPANY PURSUANT TO THIS AGREEMENT IN THE 12 MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

12. Assignment: Customer may not assign this Agreement any of or all of its rights or obligations under this Agreement without the prior written consent of Company. Company may assign this Agreement (including the right to receive the Subscription Fee) without the consent of or notice to Customer.

13. Notices:

13.1 All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth below or to such other address that may be designated by the receiving party in writing. Subject to Section 13.2, Notices sent in accordance with this Section will be deemed effectively given: (a) if delivered by hand, when received, with signed confirmation of receipt; (b) if sent by a nationally recognized overnight courier, signature required, when received; (c) if sent by facsimile (with confirmation of transmission), either when sent (if sent during the addressee's normal business hours) or on the next business day (if sent after the addressee's normal business hours); (d) subject to the below, if sent by email, the day that a return email is received from the recipient (which email cannot be a 'bounce-back' email) and (e) if sent by certified or registered mail by the Canada Post Corporation, return receipt requested and postage prepaid, on the 5th day after the date mailed.

If to Company:

Attention: Dave Burnham

email: _____

If to Customer:

Attention: _____

email: _____

13.2 Notwithstanding Section 13.1, any Notices related to Volume Orders or changes in the Monthly Subscription Fee may be delivered by Company via email or by posting on the Company Website, and will be deemed received by Customer on the day they are sent or posted by Company, as applicable.

14. Miscellaneous.

14.1 Further Assurances: Each of the parties hereto shall use commercially reasonable efforts to, from time to time at the request, furnish the other party such further information or assurances, execute and deliver such additional documents, instruments, and conveyances, and take such other actions and do such other things, as may be reasonably necessary to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

14.2 Governing Law: This Agreement and all related documents, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort or statute, are governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

14.3 Choice of Forum: The parties hereby attorn to the exclusive jurisdiction of the courts of the City of Edmonton in the Province of Alberta with respect to any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement.

14.4 Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties.

14.5 Currency. All amounts referenced herein are in Canadian dollars.

14.6 Entire Agreement: This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous written or oral understandings, agreements, representations and warranties with respect to such subject matter (including any letter of intent which may have been entered into between the parties).

14.7 Severability: The invalidity, illegality or unenforceability of any provision herein does not affect any other provision herein or the validity, legality or enforceability of such provision in any other jurisdiction.

14.8 Amendments and Modifications: The parties may not amend this Agreement except by written instrument signed by the parties.

14.9 Waiver: No waiver of any right, remedy, power or privilege under this Agreement ("**Rights**") is effective unless contained in a writing signed by the party charged with such waiver. No failure to exercise, or delay in exercising, any Right operates as a waiver thereof. No single or partial exercise of any Right precludes any other or further exercise thereof or the exercise of any other Right.

14.10 Successors and Assigns: This Agreement is binding upon and inures to the benefit of the parties and their respective successors and permitted assigns.

14.11 No Third-Party Beneficiaries: Except for the parties, their successors and permitted assigns, there are no third-party beneficiaries under this Agreement.

14.12 Survival: Articles 5, 7, 8, 9, 10, 11, 13 and 14 and Schedule “B” of this Agreement shall survive any expiration or termination of this Agreement.

14.13 Execution: This Agreement may be executed in any number of counterparts and may be executed and delivered by fax or electronic means (including by way of DocuSign, PDF or .TIFF format).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

DENTAL BUYING NETWORK LTD.

By _____

Name:

Title:

By _____

Name:

Title:

Schedule "A"

Initial Fee and Customer Spending Information

Initial Fee

Effective Date of the Agreement: _____

Length of Initial Term: _____

Pro-rated Initial Fee to be paid by Customer: _____

Estimated Spending Information

Estimated annual spending on dental supplies & sundries: _____

Estimated percentage purchased from suppliers:

| | |
|--------------|---------|
| Henry Schein | _____ % |
| Patterson | _____ % |
| Sinclair | _____ % |
| ValueMed | _____ % |
| Other | _____ % |

Schedule "B"

Sales of Company Sold Products

The following terms and conditions will apply to the purchase of any Company Sold Products under this Agreement:

1. Unless otherwise agreed by the parties in writing, Company Sold Products will be delivered to the location set out on the invoice in respect of such Company Sold Products (the **"Invoice"**), using Company's standard methods for packaging and shipping such Company Sold Products.
2. Customer shall be responsible for all shipping and delivery costs with respect to Company Sold Products.
3. Company shall not be liable for any delays, loss or damage in transit and all risk of loss with respect to Company Sold Products passes to Customer upon Customer's payment of the Invoice amount.
4. Company shall use commercially reasonable efforts to meet any shipping dates for the Company Sold Products, but such dates shall be estimates only.
5. CUSTOMER ACKNOWLEDGES THAT SECTION 10.1 OF THE AGREEMENT APPLIES TO ALL CUSTOMER SOLD PRODUCTS AND THAT COMPANY IS MAKING NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY CUSTOMER SOLD PRODUCTS. COMPANY DISCLAIMS ALL IMPLIED WARRANTIES OR CONDITIONS WITH RESPECT TO THE CUSTOMER SOLD PRODUCTS, WHETHER IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, INCLUDING ANY (A) CONDITION OR WARRANTY OF MERCHANTABILITY; (B) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (C) CONDITION OR WARRANTY OF TITLE; OR (D) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY.