

DISTRIBUTION AGREEMENT

THIS SALES/DISTRIBUTION AGREEMENT (the “Agreement”), made effective as of **January 3, 2018** (the “Effective Date”), by and between **Zero+ Nutraceuticals, Inc.**, a Colorado Limited Liability Company (the “Company”) and _____ (“SALES/Distributor”).

WHEREAS, the Company is primarily engaged in the research, testing, development, cultivation, processing, and wholesale/retail distribution of industrial hemp-based products; and

WHEREAS, the Company agrees to contract with Distributor to distribute Company’s products, and Distributor hereby accepts such engagement, on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing, of the mutual promises herein contained, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **ENGAGEMENT.** The Company hereby engages Distributor as the Company’s independent distributor to sell the Company’s products listed on ***Schedule 1*** (the “Products”) within the Territory (as defined in Section 3.01).
2. **DISTRIBUTOR STATEMENTS.** Distributor covenants and agrees that Distributor entering into this Agreement and performing its duties hereunder is not and will not be in violation of any agreement or obligation to which Distributor is subject or by which Distributor is bound.

Distributor represents and warrants that all activities conducted by him, her, or it and any agent or employee pursuant to performance of this Agreement shall comply with all current applicable laws related to hemp-based products.

3. **TERRITORY.**

3.01 The Company appoints Distributor as its **non-exclusive** distributor for the Company’s Zero+ brand Products for resale purposes in and for the geographic area identified in ***Schedule 3.01*** attached hereto, as may be modified or amended from time to time by written agreement of the parties (the “Territory”). Distributor shall not, without the prior written consent of the Company, sell or attempt to sell Products outside of the Territory. Distributor acknowledges and agrees that in the event Distributor does not meet or exceed the sales targets identified in ***Schedule 5.03***, it shall lose its exclusivity, among other remedies provided herein.

4. **RELATIONSHIP OF PARTIES.**

4.01 The parties are independent contractors, and nothing herein will be construed to create a partnership, agency, joint venture, or employer-employee relationship. **DISTRIBUTOR RETAINS EXCLUSIVE LIABILITY FOR COMPLYING WITH ALL APPLICABLE FEDERAL AND STATE LAWS GOVERNING DISTRIBUTOR AND ITS PURCHASE AND SALE OF PRODUCTS.**

4.02 Distributor shall devote such time and effort to the completion of its duties under this Agreement and, to the best of Distributor’s abilities to develop acceptance and sales of the Products within the Territory.

5. **ORDERS.**

5.01 The Distributor agrees to purchase/sell the Products at the prices set forth on the price list attached to this Agreement as **Schedule 1** (the "Price List"). The prices may be revised from time to time by the Company. Any new Price List shall be provided to the Distributor, at least thirty (30) days before it becomes effective. The Products will be typically sent FedEx 2 day per customers chose. Company will promptly ship paid for orders directly to customer via website or Amazon or other means as chosen and paid for.

Most orders will be completed via ecommerce on www.zroplus.com. Commissions will be paid to the code provided by the Distributor/Rep/Customer per order.

5.02 The Distributor/customer shall pay the Company the price of any purchased Products by wire transfer at the time of each order. The Company will fill all orders in a timely manner and provide notification as to when the Product has shipped.

5.03 (a) The Company has provided Distributor quarterly sales quotas attached hereto as **Schedule 5.03** as amended from time to time in the sole discretion of the Company (the "Sales Quotas"). Distributor shall be paid monthly all commissions earned with conformed payment.

(b) Notwithstanding Paragraph 3.01 and in addition to any remedy available under Section 5.03(a) above, in the event Distributor fails to obtain sales of at least the minimum amounts set forth in **Schedule 5.03** in any quarter, the Company shall have the immediate right to terminate this Agreement.

6. **PRODUCT ACCEPTANCE AND EXPRESS LIMITED WARRANTY**

6.01 The Products provided by Company will be inspected within ten (10) days of receipt by Distributor.

6.02 Express Limited Warranty and Limited Remedies.

(a) The Company warrants that the Products will conform substantially to the chemical composition and specifications as provided to Distributor. Notwithstanding anything contained in this Agreement to the contrary, the limited warranty of Company as provided herein will be void if any alterations, modifications, or processing have been performed on such Product, or to the extent that any alleged defect is the result of abuse, misuse, improper maintenance or storage, accident, action, or inaction on the part of any party other than the Company. Subject to the foregoing, if a Product is not as warranted and Distributor notifies the Company in writing and returns that Product to the Company within 10 days of delivery of such Product to Distributor, the Company will promptly replace the defective Product(s). Any such replaced Product(s) will be shipped back to Distributor at the Company's sole expense. REPLACEMENT OF THE PRODUCT(S) AS PROVIDED UNDER THIS LIMITED WARRANTY, IS DISTRIBUTOR'S EXCLUSIVE REMEDY. THE WARRANTY IN THIS SECTION IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR PARTICULAR PURPOSE.

(b) UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, COLLATERAL, SPECIAL, OR INCIDENTAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS), WITH RESPECT TO ANY PRODUCTS OR SERVICES PROVIDED BY EITHER PARTY, WHETHER SUCH CLAIM IS

BASED ON CONTRACT, NEGLIGENCE, STRICT TORT, WARRANTY, OR ANY OTHER BASIS.

7. TERM AND NOTICE OF TERMINATION.

7.01 Subject to the other provisions hereof, this Agreement shall continue in effect for an initial term as provided on *Schedule 3.01* hereof and, except as otherwise provided on *Schedule 3.01*, shall be renewable automatically and without any action of the parties for additional one year renewal periods thereafter, unless either party gives to the other written notice of its intention not to renew this Agreement at least thirty (30) days prior to the end of the initial term or any renewal term hereof.

7.02 The Company may terminate this Agreement immediately by giving notice of termination to Distributor in the event any one or more of the following occur:

- (a) the voluntary abandonment by Distributor of this Agreement; or
- (b) any breach of this Agreement, or any of the terms or conditions of this Agreement, including but not limited to failure to meet the Sales Quotas established by the Company from time to time as described in Paragraph 5.03.

8. OBLIGATIONS OF DISTRIBUTOR.

8.01 Distributor shall use its best efforts to promote the acceptance and sale of the Products in the Territory.

8.02 Distributor shall hold harmless and indemnify the Company from all loss, damage, cost, and expense of any nature, including attorney's fees, arising from or in any manner connected with any injury to persons or damages to property caused by or resulting from any negligent or willfully wrongful acts or omissions of Distributor or its agents and employees.

8.03 Distributor shall solely utilize the packaging and labeling provided by Company for the resale of the Products. Distributor shall store the Products in a temperature controlled environment and shall comply with all rules and regulations related to products processed or sold for human consumption.

9. REGULATORY COMPLIANCE.

9.01 Distributor agrees to follow applicable state and federal legal requirements concerning the distribution and sale of the Products.

9.02 Distributor shall maintain records, files, documents, and lists regarding sales of Products during the term of this Agreement.

10. MISCELLANEOUS.

10.01 This Agreement, which includes all schedules attached hereto (which are hereby referenced and incorporated), constitutes the entire agreement between the parties hereto respecting the subject matter hereof, and this Agreement shall not be modified, altered, or amended except by the parties hereto in writing.

10.02 No failure or delay on the part of the Company in exercising any right, power, or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of

any other right, power, or privilege.

10.03 The rights and remedies expressly specified in the Agreement are cumulative and are not exclusive of any rights or remedies that the Company would otherwise have.

10.04 This Agreement is not assignable in whole or in part by Distributor without the prior written consent of the Company. This Agreement may be transferred by the Company to, and shall be binding upon, the Company's successors and assigns.

10.05 All notices and other communications that may be or are required to be given hereunder or with respect hereto, shall be in writing, shall be given either by personal delivery, email, or by mail, and shall be deemed to have been made when personally delivered or three (3) days after deposit in the mail, first class postage prepaid, addressed to the respective parties as follows (or at such address as each party may from time to time designate):

If to the Company:

Zero+ Nutraceuticals, Inc.

Email: info@Zroplus.com

If to SALES/Distributor:

10.06 The laws of the State of Colorado shall govern this Agreement in all respects. Any dispute, controversy, or claim arising out of or relating to this Agreement, including, but not limited to, the breach, termination or invalidity thereof, shall be venued exclusively in the state or federal courts in the City of Denver, Colorado, and the parties hereby expressly consent to the exercise of personal jurisdiction over them by such courts.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

Zero+ Nutraceuticals, Inc.

By _____
Its _____

By _____
Its _____

Dated: _____

Dated: _____

Address for notice: _____

Taxpayer Identification Number:

(For Tax Purposes Only)

Schedule 1

Products and Price List

300 mg Hemp Zero+ Topical - \$100.00 per bottle- Sales Price \$120.00

300 mg Hemp Zio Daily- \$100.0 per Bottle (2ct)- Sales Price \$120.00

Modifications of pricing must be agreed to in writing prior to being accepted by the Company.

Reps will receive a 2nd Tier of commission if they introduce Zero+ to another rep. In this case the new rep will get \$15.00 per bottle and the Sponsor rep will receive \$5.00 on each direct sale. Clinic sales will be agreed to individually with a starting point of \$30.00 to the clinic and \$10.00. If the new rep gets a clinic order the clinic receives \$30.00, the new rep (2nd tier) receives \$7.50 and the 1st Tier sponsor rep receives \$2.50.

Products and Price List- Clinics

300 mg Hemp Zero+ Topical - \$90.00 per bottle- Sales Price \$120.00

300 mg Hemp Zio Daily- \$90.00 per Bottle (2ct)- Sales Price \$120.00

Modifications of pricing must be agreed to in writing prior to being accepted by the Company.

Clinics will be treated independently per signed agreement.

Reps will receive a 2nd line of commission if they introduce Zero+ to another rep. In this case the new rep will get \$15.00 per bottle and the Sponsor rep will receive \$5.00 on each direct sale.

1st Tier

Clinic sales will be agreed to individually with a starting point of \$30.00 to the clinic and \$10.00 to the rep.

2nd Tier

If the new rep gets a clinic order the clinic receives \$30.00, the new rep receives \$7.50 and the 1st tier rep receives \$2.50.

****Commission are paid monthly**

*****Each representative may purchase 1 bottle per month for personal use or to be used for sampling at \$60.00 plus shipping.**

Schedule 3.01

DATED:

Term of Agreement and Territory/Accounts

Term

The Initial Term of this Agreement shall be: One (1) Year from the Effective Date.

This Agreement may be renewed for additional periods of One (1) Year, pursuant to Section 7.

Territory/Accounts

The Territory shall consist of the following:

Schedule 5.03

Sales Quotas

The following Sales Quotas shall apply with respect to the initial 12 month period following the Effective Date:

	Total
Quarter 1	\$30,000
Quarter 2	\$60,000
Quarter 3	\$80,000
Quarter 4	\$100,000

Total One Year Sales Quota: **\$270,000**.

Additional Sales Quotas shall be provided by the Company. If no such Sales Quotas are provided, the Sales Quotas shall continue on a quarterly basis with the quotas of quarter 4 used for each quarter of each following quarter increased by 3%, and for each quarter following.