

Final master supply agreements will be provided to suppliers whose products are selected by OCS. The following lists certain key terms to be included in the master supply agreement between OCS and each supplier. The following is indicative only and is subject to change.

CANNABIS PRODUCTS

- Term: Two years (may be extended for an additional two years by mutual agreement)
- Pricing: Firm prices in effect for the term (subject to limited ability for increases/decreases)
- No Commitment: Agreement is not commitment to purchase products, POs will be issued for orders
- Payment: Net 60 days from OCS receipt confirmation
- Supplier Delivery: FOB warehouse (GTA West)
- Insurance: Supplier to maintain \$5MM commercial general liability and \$15MM recall insurance to OCS's satisfaction; OCS to be an additional named insured and certificate holder
- Regulatory/QA: Products supplied must safe for use and must comply with all applicable regulatory and QA requirements (including Certificate of Analysis for each LOT from an accredited facility), and Suppliers must maintain all required Health Canada licenses
- Customer Complaints: Supplier will be responsible for responding to and investigating OCS customer complaints, taking appropriate corrective action and updating OCS
- Charge Backs: Supplier charge back for product returns, recalls, slow moving, discontinued and expired products, (including destruction, disposal, processing, shipping, handling, and related costs)
- Analyst: Supplier to provide a designated analyst to support OCS's forecasting and analytics
- Supplier Manual: Supplier to comply with various OCS prescribed policies and procedures, including for packaging, labelling, shipping, and other requirements
- Data Subscription: Automatic enrollment of Supplier in OCS data subscription program for an annual fee equal to \$2,500 + 0.2% purchase order cost
- Barcoding /Product Registry: GS1 bar coding standards, product registry, product photography

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- Payment: Net 60 days from OCS receipt confirmation
- Supplier Delivery: FOB warehouse (GTA West)
- Insurance: Supplier to maintain \$5MM commercial general liability to OCS's satisfaction; OCS to be an additional named insured and certificate holder
- Regulatory/QA: Products supplied must safe for use and must comply with all applicable regulatory and QA requirements which may include independent testing/certification
- Customer Complaints: Supplier will be responsible for responding to and investigating OCS customer complaints, taking appropriate corrective action and updating OCS
- Charge Backs: Supplier charge back for product returns, recalls, slow moving, and discontinued products, (including destruction, disposal, processing, shipping, handling, and related costs)
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