

**REPRESENTATION AGREEMENT**

**Between**

**KROWDX INC**

**And**

**COVIKLEAR HOLDINGS INTERNATIONAL LTD.**

**Dated**

**DECEMBER 21 \_\_, 2020**

## SALES REPRESENTATIVE AGREEMENT

THIS SALES REPRESENTATIVE AGREEMENT (this "Agreement"), dated as of December 21, 2020 (the "Effective Date") is entered into by and among KrowdX Inc., a corporation duly organized and existing under the laws of Canada and having its place of business at 250 Place d'Youville, Montréal, Québec H2Y 2B6 (hereinafter referred to as "Distributor") and COVIKLEAR HOLDINGS INTERNATIONAL LTD., a corporation duly organized and existing under the laws of United Kingdom, having its place of business in LONDON, ENGLAND, (hereinafter "Agent").

### PRELIMINARY STATEMENTS

A. Distributor has obtained the non-exclusive rights from GLC Medical Inc. (hereinafter "GLCM") to distribute the Product worldwide pursuant to a Distribution Agreement (hereinafter "Distribution Agreement").

B. Distributor wishes to appoint the Agent to act as the Distributor's agent to promote and sell the Product on behalf of Distributor on a worldwide non-exclusive basis.

D. This Agreement is conditional upon the successful completion and commercialization of the Product including all design, testing, clinical trials, development of production, manufacturing, and shipping capability and capacity, and related activities; and will not apply unless such success is achieved by GLCM.

Now, therefore, the Parties hereto, in consideration of the premises and mutual covenants and undertakings herein contained, agree as follows:

### 1. DEFINITIONS

In this Agreement, the following terms shall have the following meanings:

1.1. "Agreement" means the agreement between the Parties constituted by this document.

1.2. "Applicable Laws" means, with respect to the Product, all constitutions, treaties, laws, statutes and regulations of any governmental authority, including any Regulatory Authority, having jurisdiction over any of the manufacture, use, storage, import, transport, marketing, promotion or sale of the Product, as are in effect during the term of this Agreement.

1.3. "GLCM's Trademarks" means the Trademarks as set out in Schedule 1.3.

1.4. "Competitive Product" means any product which competes with the Product





1.5. "**Confidential Information**" shall mean, for each Party, any and all information disclosed by one Party to the other Party, whether in oral, written, graphic, electronic form or otherwise acquired by a Party through visual inspection of tangible items or observation of the facilities of another Party; except any portion thereof which:

(a) is known to the Receiving Party at the time of disclosure, as evidenced by its written records;

(b) is disclosed to the Receiving Party by a Third-Party having a legal right to make such disclosure, without restriction of disclosure;

(c) becomes patented, published or otherwise part of the public domain through no fault of the Receiving Party; or

(d) is independently developed by or for the Receiving Party without use of the other Party's Confidential Information disclosed hereunder, as evidenced by the Receiving Party's written records.

"Confidential Information" may include without limitation: (i) technical and product information (including clinical findings); (ii) manufacturing information and processes; (iii) drawings, diagrams, schematics and specifications; (iv) marketing, customer, pricing, financial, and sales information; (v) regulatory information and materials; (vi) strategic and business plans; (vii) each Party's intellectual property embodied in each Party's products and materials; and (viii) sample products that may be furnished to either Party. The information enumerated in clauses (i) through (viii) in the prior sentence shall be deemed Confidential Information of a party when disclosed to the other whether or not marked "CONFIDENTIAL" or, if disclosed orally, whether or not specifically indicated to contain confidential information.

1.6. "**Distributor Trademarks**" means the Trademarks as set out in Schedule 1.6.

1.7. "**Dollar**" and the symbol "\$" shall mean lawful money of USA unless stipulated otherwise.

1.8. "**Effective Date**" shall have the meaning as set forth in the introductory paragraph.

1.9. "**Force Majeure**" means, in relation to either Party, any circumstances beyond the reasonable control of that Party (including, without limitation, fire, floods, embargoes, shortages, including in particular unavailability of inputs and unavailability of contract manufacturing capacity, epidemics, quarantines, war, acts of God, acts, omissions or delays in acting by any governmental authorities and any strike, lock-out or other form of industrial action). Force majeure shall include exceptional events such as war, riots, strikes, terrorism, civil commotion, crime, epidemic beyond Covid-19, adverse weather conditions, changes to the regulations and laws.

1.10. "**Parties**" means Distributor and Agent and "**Party**" means any of them as the context indicates.



1.11. "**Product**" means the graphene-based biosensor described in Schedule 1.11 which is covered by the Patents.

1.12. "**Promotional Materials**" shall mean all promotional materials, detail aids and pieces, journal ads, films, artwork and graphics, and any other marketing literature and information relating to the marketing, distribution or sale of the Product.

1.13. "**Regulatory Approval**" shall mean, with respect to a particular country, all necessary and appropriate regulatory approvals, licenses, registrations and authorizations from the appropriate Regulatory Authority, including pricing or reimbursement approval, to manufacture, use, store, import, transport, market, promote, sell, and place on the market the Product (or any Line Extension) in such country, as may be applicable, at any time, during the Term.

1.14. "**Regulatory Authority**" shall mean any government or other authority or agency having jurisdiction within the Territory charged with issuing approvals, licenses, registrations or authorizations necessary for the manufacture, use, storage, import, transport, marketing, promotion, selling, and placing on the market of the Product.

1.15. "**Product Specifications**" shall mean the specifications for the Product as attached in Schedule 1.15, as may be amended from time to time at the discretion of the Distributor.

1.16. "**Territory**" means the territory or territories which the Distributor communicates to the Agent from time to time.


## 2. REGULATORY APPROVALS

2.1. **Registration Obligations of the Parties.** Pursuant to the Distribution Agreement GLCM has undertaken to Distributor that it will obtain regulatory approvals for the Product in Canada and the USA. Outside of Canada and the USA Distributor may apply or register for Regulatory Approval for the Product, either in the name of GLCM or Distributor, in any jurisdiction, continent, country, region, to facilitate the marketing and sales of the product in which the Distributor is authorized by GLCM to distribute the Product. Agent shall assist Distributor in making such application in any jurisdiction where required. The cost of such registrations shall be not be the responsibility of the Agent.

## 3. APPOINTMENT AND ACCEPTANCE; OTHER RIGHTS


3.1. **Appointment of Agent.** Distributor hereby appoints Agent as its non-exclusive representative in the Territory to promote the sale of and market the Product in the Territory during the term of and under the conditions specified in this Agreement. Agent will serve as an independent contractor. Nothing in this Agreement shall be construed to constitute Agent as a partner, affiliate or employee of Distributor. (If Purchase orders provided to KrowdX, lead to funding providing for a percentage ownership in GLCM, or funding support for its operations then the Agent shall be a PARTNER and NOT an employee of the Distributor. Should this occur, the type of relationship



TO BE MUTUALLY AGREED. 

between Distributor and Agent will have to be redefined in this agreement) The Distributor and the Agent shall maintain exclusivities over certain clients or prospects as follows:



(a) The Distributor shall provide the Agent a list of clients or potential clients with whom it has made sustained contact, or is in negotiation with or with whom it has received a purchase order for the Product. A preliminary list is set forth in Schedule 3.1 (a). The Agent shall not market or promote the Product to these Distributor house clients or their affiliates worldwide. These clients shall be the exclusive clients of the Distributor. The list, containing the name of the prospect and the date of initial contact shall be updated on a regular basis and remitted to the agent. If a purchase order has not been placed by a prospective client within 90 days of initial contact as per the date appearing on the list, that prospective client will cease to be the exclusive client of the Distributor; and

(b) The Agent shall provide the Distributor a list of clients or potential clients with whom it has made sustained contact, or is in negotiation with or who have remitted a purchase order for the Product. A preliminary list is set forth in Schedule 3.1 (b). The Distributor shall not market or promote the Product to these Agent house clients or their affiliates worldwide. These clients shall be the exclusive clients of the Agent. The list, containing the name of the prospect and the date of initial contact shall be updated on a regular basis and remitted to the Distributor. If a purchase order has not been placed by a prospective client within ~~90~~ 90 days of initial contact as per the date appearing on the list, that prospective client will cease to be the exclusive client of the Agent. Should it be necessary, if an explanation is provided, an extension to the period of exclusivity may be offered while not unreasonably withheld.  90 DAYS

**3.2. Acceptance.** Agent accepts the foregoing appointment and agrees to use its best efforts to market and promote the sale of Product in the Territory. Agent further agrees that within the Territory, it will not promote, solicit orders for, sell or distribute, directly or indirectly, any item which is a Competitive Product, without Distributor's prior written consent, which consent may be withheld in Distributor's sole discretion.

**3.3. Promotional Materials.**

(a) Subject to obtaining any required Third-Party consents, Distributor shall provide Agent with samples of Promotional Materials owned or used by Distributor to market the Product; provided that Agent reimburses Distributor for any reproduction or other costs relating thereto. Distributor hereby grants to Agent the right to use such Promotional Materials for purposes of developing Promotional Materials for use in promoting the Product in the Territory.

(b) Any Promotional Materials created by Agent shall be subject to the prior review and approval of Distributor, which approval shall not be unreasonably or arbitrarily withheld, and will be provided no later than 3 business days after request for approval is made by Agent. Distributor shall bear all costs and expenses incurred in connection with the creation of any Promotional Materials for purposes of marketing, distribution and sale of the Product within the Territory, and in the language of the country or countries in question.  



**3.4. Order Acceptance.** Agent acknowledges and agrees that all orders are subject to acceptance or rejection by Distributor and that Distributor will not be liable to Agent or any of Agent's accounts for rejection of any order, or for any failure to fill or delay in filling any accepted order. Agent is not authorized to make price quotations or promises other than as currently provided or approved in advance by Distributor in writing. Agent shall make no representations, warranties or commitments binding Distributor without Distributor's prior consent, other than standard terms of sale. The current payment policy determined by the Distributor requires a purchase order to be submitted by the purchaser accompanied by 50-100% of the purchase price along with an irrevocable letter of credit for the balance of the sale payable upon a positive report of inspection by the agent fob shipping location. The current payment policy may be modified from time to time by the Distributor.

**3.5. Reservation for manufacturing priority.** The current policy of the Distributor with respect to reservation of manufacturing capacity is that a Purchaser who wishes to ensure delivery of Product within 30 days of placing the purchase order, but prior to signing a purchase order, the purchaser shall provide the Distributor a deposit of 5% of the sale price. This amount shall be non-reimbursable unless a purchase order is made within 10 days of the deposit accompanied by 50% of the payment price and a letter of credit for the balance less the 5%. The Distributor may modify this policy from time to time.

**3.6. Compensation.** Distributor agrees to pay Agent as full compensation for its services hereunder a Commission at the rates set forth in Schedule 3.6, on purchase orders obtained by Agent and accepted by Distributor during the term of this Agreement. Distributor shall pay the Commission to the Agent's Escrow account in according to the Escrow Agreements established for the receipt and distribution of funds on each sale within 5 business days of shipment of the Product to the purchaser, and following full receipt of payment by the Distributor.

**3.7. Expenses of Agent.** All expenses incurred by the Agent relating to entertainment, travel or other expenses and liabilities shall be borne by the Agent.

**3.8. Refund of Commission for Returned Product.** Agent will refund to Distributor, or Distributor will have the right to deduct from subsequent Commission payments, any Commission previously paid on Product which is returned or on which credit is issued, or on accounts which become bad debts.

#### **4. BRANDING; TRADEMARKS**

**4.1. Trademarks.** Distributor hereby grants Agent a non-transferable, non-assignable, non-exclusive license to use Distributor's and GLCM's Trademarks for use solely in the promotion and marketing of the Product in accordance with the terms and conditions of this Agreement. The Agent shall not be permitted to permit any other party to use these licences.

**4.2. Obligations and Conditions.** No promotional materials may be used without Distributor's prior written approval, which consent shall be conditioned upon, including, but not limited to, maintaining the distinctiveness of the Trademarks of GLCM and Distributor and including a tag line that indicates the respective ownership of the Trademarks.



**4.3. Effect of Termination.** Upon termination of this Agreement Agent shall immediately cease all use of Distributors and GLCM's trademarks, trade names, and logos and return all promotional material to Distributor while termination for just cause only or at contractually term of expiration as the case may be.

## **5. ADDITIONAL OBLIGATIONS OF AGENT**

**5.1. Agency.** Distributor shall make clear, in all dealings with trade customers and prospective trade customers, that it is a sales representative and has no authority to bind the Distributor.

**5.2. Compliance with Applicable Laws.** Distributor shall ensure that it shall fully comply with all Applicable Laws at any time being in force and be fully consistent with the conditions and requirements of the relevant Regulatory Approval for such Product. Specifically, Agent represents that it has not and agrees that it will not in connection with the transactions contemplated by this Agreement, or in connection with any other business transactions involving Distributor, make any payment or transfer anything of value, directly or indirectly, (a) to any governmental official or employee (including employees of government corporations), or to any political party or candidate, (b) to any officer, director, employee or agent of any actual or potential customer of Distributor, or (d) to any other person or entity if such payment or transfer would violate applicable laws. It is the intent of the parties that no payments or transfers of value will be made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business. This section will not, however, prohibit normal and customary business entertainment or the giving of business mementos of nominal value.

## **6. LIABILITY AND INSURANCE**

**6.1. Product Claims.** Agent agrees not to make any claims for any Product which are false or are not included in the indications. Agent shall not make any representation or warranty with respect to the Product that is more extensive than, or inconsistent with, any Regulatory Approval or publication of GLCM relating to the Product.

## **7. TERM AND TERMINATION**

**7.1. Term.** This Agreement shall become effective upon the Effective Date, and; subject to the provisions of this Section 16, shall remain in effect with respect to the Product in the Territory, until December 1, 2025, and shall be renewable in 5-year increments upon agreement of both parties.

**7.2. Breach.** Either Party (the "Non-breaching Party") may, without prejudice to any other remedies available to it at law or in equity, terminate this Agreement in its entirety, in the event the other Party (the "Breaching Party") shall have materially breached or defaulted in the performance of any of its material obligations hereunder or any representation or warranty



provided herein, and such default shall have continued for thirty (30) days after written notice thereof was provided to the Breaching Party by the Non-breaching Party. Any such termination shall become effective at the end of such thirty (30)-day period unless the Breaching Party has cured any such breach or default prior to the expiration of such thirty (30)-day period. The right of either Party to terminate this Agreement as provided in this Section shall not be affected in any way by its waiver or failure to take action with respect to any previous default.

**7.3. Insolvency.** Without prejudice to any other rights or remedy it may have, each Party may terminate this Agreement by prior notice in writing to the other Party if one of the Parties becomes insolvent (defined as such Party being subject to a voluntary or involuntary bankruptcy petition which is not dismissed within sixty (60) days after filing) (the "Insolvent Party"), or if an order is made or a resolution is passed for the winding up of the Insolvent Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction) or if an administrator, administrative receiver or receiver is appointed in respect of the whole or any part of the Insolvent Party's assets or business or if the Insolvent Party makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt.

**7.4. Failure to Obtain Regulatory Approval.** Without prejudice to any other rights or remedy it may have, Distributor may terminate this Agreement by prior notice in writing to Agent, if the Regulatory Authority for either, Canada or, the USA has not been obtained for the Product by March 31, 2022.

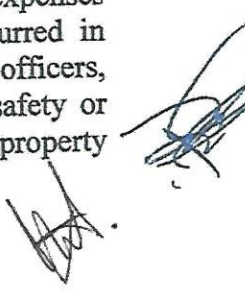
**7.5. Effect of Certain Terminations.** If this Agreement is terminated by either party, in addition to any other remedies available at law or in equity,

(a) all rights and licenses granted to Distributor shall terminate immediately; and

(b) Agent shall, at its sole cost and expense, promptly return to Distributor all applicable data and materials transferred by Distributor to Agent under this Agreement, including, without limitation all records and materials in Agent's possession or control containing Confidential Information of Distributor or GLCM.

## **8. INDEMNIFICATION**

**8.1. Distributor General Indemnification.** Except to the extent that any suits, claims, liabilities, costs, damages, judgments or other expenses ("Claims") arise out of or result from the negligence or wilful misconduct of Agent or Agent's breach of this Agreement, Distributor shall defend, indemnify and hold Agent, and its officers, directors, employees, agents and representatives harmless from and against all liabilities, damages, losses, costs and expenses (including the reasonable fees of attorneys and other professionals) ("Losses") incurred in connection with any Claim made by a Third-Party against Agent, and any of its respective officers, directors, employees, agents or representatives, arising out of or attributable to the safety or efficacy of any Product, including, but not limited to, any claim for product liability, property





damage, personal injury, or death, or relating to the negligence, recklessness or wilful misconduct of Distributor.

**8.2. Agent General Indemnification.** Except to the extent that any suits, claims, liabilities, costs, damages, judgments or other expenses arise out of or result from the negligence or wilful misconduct of Distributor, Agent shall defend, indemnify and hold Distributor, and its officers, directors, employees, agents and representatives harmless from and against all liabilities, damages, losses, costs and expenses (including the reasonable fees of attorneys and other professionals) ("**Losses**") incurred in connection with any Claim made by a Third-Party against Distributor, and any of its respective officers, directors, employees, agents or representatives, arising out of or attributable to its relating to the negligence, recklessness or wilful misconduct of Distributor in carrying out its obligations hereunder.


**8.3. Limitation on Liability.** Except for the parties' indemnification obligations in this agreement, no party shall be liable to the other for any amounts representing loss of data, , lost revenues or profits, punitive damages, or for any other indirect, special, incidental, or consequential damages.

## **9. CONFIDENTIALITY AND NON-USE**

**9.1. Obligation.** During the term of this Agreement, a Party ("**Disclosing Party**") may disclose to the other Party, its directors, officers, employees and agents ("**Receiving Party**") certain Confidential Information. The Receiving Party shall keep Confidential Information confidential and such Confidential Information shall not, without the Disclosing Party's prior written consent, be disclosed by the Receiving Party to any person or entity not a party to this Agreement in any manner whatsoever in whole or in part, and shall not be used by a Receiving Party other than in connection with the purposes contemplated by this Agreement. Confidential Information shall be disclosed only to directors, officers, employees and agents of the Receiving Party who need to know such Confidential Information for the purposes of this Agreement. The Receiving Party hereto agrees that, unless required by applicable law or legal process, it will not disclose to any Third-Party Confidential Information, nor use such Confidential Information it receives from the Disclosing Party, for any purpose other than that contemplated under this Agreement.

**9.2. Survival.** The obligations set forth in this Article shall survive expiration or termination of this Agreement indefinitely. In the event of a buy-out or acquisition of KrowdX, the terms of this agreement, become transferable.

**9.3. Permitted Disclosures.** Notwithstanding the above, nothing contained in this Agreement shall preclude a Party from utilizing or disclosing to others its Confidential Information or utilizing Confidential Information received from another Party as may be required: (a) for regulatory purposes, including submission of regulatory filings required to obtain Regulatory Approvals subject to requesting confidential treatment; (b) for audit, tax or customs purposes subject to requesting confidential treatment; (c) by law, administrative or judicial order of anybody having jurisdiction over the Party so required to make such disclosure (and whether or not such





requirement has the force of law), with the consent of the other Party, which consent shall not be withheld unreasonably.

**9.4. Public Announcements.** Neither Party shall issue any public announcement, press release or other public disclosure regarding this Agreement or its subject matter, nor use the name of the other Party in any publicity, advertising or announcement, without the other Party's prior written consent, except for any such disclosure that is, in the opinion of the disclosing Party's counsel, required by law, in which case sufficient advance notice will be provided to the other Party to allow it time to act appropriately in its best interest.

## 10. MISCELLANEOUS PROVISIONS

**10.1. Assignment; Binding Effect.** This Agreement shall be binding upon the successors and assigns of the Parties permitted hereunder but are otherwise personal as between the Parties. Agent may not assign any interest under this Agreement without the prior written consent of the Distributor which it shall have full discretion to refuse, except that no such consent shall be required to assign this Agreement to (i) an Affiliate; or (ii) a Third-Party successor by merger or acquisition or by divestiture or spin-off of all or substantially all of the business or assets to which this Agreement relates. Except for the foregoing, any purported assignment without a required consent shall be void.

**10.2. Notices.** All notices, requests, claims, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when:

- (a) when received, if delivered personally;
- (b) when transmitted, if by fax or email (which is confirmed);
- (c) upon receipt, if sent by registered or certified mail (postage prepaid, return receipt requested); and
- (d) the business day after it is sent, if sent for next-day delivery to a domestic address by overnight mail or courier, to the Parties at the following addresses:



If to Distributor, to:

250 Place d'Youville, 2<sup>nd</sup> Floor  
Montréal, Québec H2Y 2B6

Attention: Marc Lachance  
Email: [marc@krowdx.io](mailto:marc@krowdx.io)

With copy to:  
David Johnston  
250 Place d'Youville, 2<sup>nd</sup> Floor  
Montréal, Québec H2Y 2B6  
Email: [johnston@johnston-law.ca](mailto:johnston@johnston-law.ca)

If to Agent, to:

Rene Guim – CEO & President  
CoviKlear holdings International LTD.  
888 Brickell Key Drive, Suite 2706  
Miami, FL 33131  
Email: [rene@dreammakermarketing.com](mailto:rene@dreammakermarketing.com)  
Email: [reneguim@me.com](mailto:reneguim@me.com)

provided however, that if any Party shall have designated a different address by notice to the others, then to the last address so designated.

**10.3. Governing Law.** This Agreement is governed by and will be construed in accordance with the laws of the Province Québec, and the federal laws of Canada applicable therein. The courts of the Province of Québec in the judicial district of Montreal and, if need be, the Supreme Court of Canada, shall have exclusive jurisdiction to decide upon any litigation arising out of this Agreement.

**10.4. Amendments; Entire Agreement.** This Agreement contains the entire agreement between Distributor and GLCM with respect to its subject matter, supersedes all previous agreements or understandings with respect thereto and may not be modified except by an instrument in writing signed by the duly authorised representatives of the Parties.

**10.5. Waiver.** The failure of any Party to enforce any condition or part of this Agreement at any time shall not be construed as a waiver of that condition or part, nor shall it forfeit any rights to future enforcement thereof.

**10.6. Severability.** If any provision of this Agreement is held by any court or other competent authority to be invalid or unenforceable in whole or in part, the other provisions of this Agreement and the remainder of the affected provision shall continue to be valid.

**10.7. Construction.** The parties have expressly required this Agreement and all other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the



English language only. Les parties ont expressément demandé que la présente convention ainsi que tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.

**10.8. Headings.** The headings of this Agreement have been provided for convenience only and shall have no legal effect in connection with any interpretation of any of the provisions of this Agreement.

**10.9. Counterparts.** This Agreement may be executed manually, electronically or by facsimile by the Parties, in any number of counterparts, each of which shall be considered one and the same agreement and shall become effective when a counterpart of this Agreement shall have been signed by each of the Parties and delivered to the other Party.

**10.10.** Each partner may transfer his or her shares for Estate Planning purposes into a Trust, or other legal entity - easily and without needing approval of other partners.

\* \* \* \* \*

IN WITNESS WHEREOF, the Parties have executed this Sales Representative Agreement in duplicate as of the Effective Date.

COVIKLEAR HOLDINGS  
INTERNATIONAL LTD.

By: 

Name: Rene W. Guim  
Title: CEO & President

KROWDX INC.

By: 

Name:

MARC LACHANCE

Title:

CHAIRMAN

KROWDX INC.

**Schedule 3.6**  
**Commission Details**

Agent shall be paid commission on completed and delivered sales on the following basis:

**20% Commission and Super Commissions**

For each transaction concluded at the MSRP established at the time of the transaction, and/or 20% of the difference between the price at which Distributor acquires the Product from GLCM and the sale price to the end user.

In some cases, an additional commission bonus, of 10% at the unfettered discretion of the Distributor;

**Commission split for portion above MSRP**

In the event that the sale price of the transaction exceeds the MSRP, 60% of the difference between the MSRP and the sale price shall be paid to the Agent as additional commission.

No Product may be sold in North America at a price in excess of the MSRP, unless written agreement has been secured prior to sale.

Commission shall be payable to the Agent for each order within <sup>10</sup>5 business days of the shipment of the Product from the manufacturer's facility, or when funds transferred by International banking facility are cleared on the books of the Distributor.

