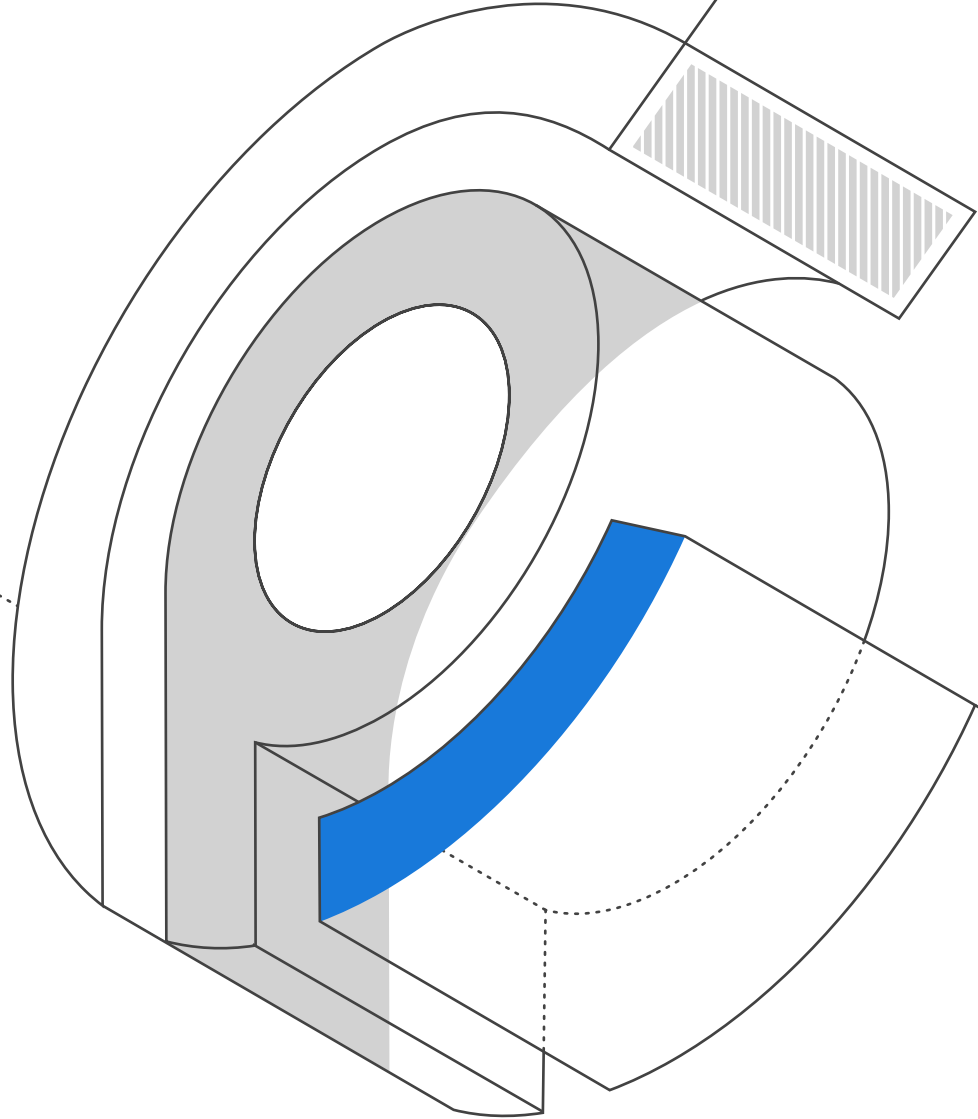


ILAWA010823



# Exclusive License Agreement

Ref: #ILAWA010823



THIS AGREEMENT is entered into this 30th day of June, 2023 ("Effective Date"), between Conflow Power Group ("CPG"), a corporation organised and existing under the laws of the United Kingdom, with its principal place of business located at Suite 6203, 1-5 Irish Town, Impossi House, Gibraltar, GX11 1AA, UK ("Licensor"), and iLamp Washington LLC, a company organised and existing under the laws of Washington, United States, with its principal place of business located at 3023 NE 74TH ST, VANCOUVER, WA, 98665-1430, UNITED STATES.

## **1. GRANT OF LICENSE**

- 1.1 Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee an exclusive, non-transferable license to manufacture, distribute, market, and sell Licensor's iLamp products in the State of Washington, USA.

## **2. TERRITORY**

- 2.1 The license granted herein is limited to the territory of the State of Washington, USA ("Territory"). Licensee agrees to not sell or otherwise distribute the Licensed Products outside the Territory.

## **3. QUALITY CONTROL AND AUDITS**

- 3.1 Licensee agrees to maintain the quality of the products as per the specifications provided by Licensor. Licensor may conduct quality audits at its discretion to ensure compliance.
- 3.2 If Licensee intends to use a third-party manufacturer to produce the products, Licensee must notify CPG in writing, providing the accurate name and complete address of the manufacturer and the products involved. CPG may also conduct compliance inspections of the manufacturer before production.
- 3.3 If any manufacturer fails to pass a compliance inspection, CPG may terminate the agreement with the manufacturer, and Licensee shall not continue to use that manufacturer for production. Licensee shall promptly reimburse CPG for the reasonable cost of the compliance inspection, as applicable.

## **4. REPORTING**

- 4.1 Licensee will provide full and accurate quarterly reports, within 25 days after the end of each quarter, to Licensor detailing sales, revenues, and all pertinent market data. Licensee shall preserve these records for a period of two (2) years after the expiration or termination of this Agreement, or for a period of seven (7) years, whichever is less.



- 4.2 Licensee acknowledges and agrees that Licensor shall have the right, during Licensee's normal business hours and for the sole purpose of verifying Licensee's reports under this Agreement to audit Licensee's books, records, and accounts related to the sales and revenues of the licensed products for the purpose of verifying the accuracy of royalty calculations and ensuring compliance with this Agreement. Audits shall be conducted during reasonable business hours and with reasonable advance notice provided by the Licensor.
- 4.3 In the event that any audit identifies an underpayment or miscalculation of royalties by Licensee, Licensee shall promptly pay any outstanding amounts owed to Licensor, including any applicable interest or penalties as specified in this Agreement.
- 4.4 Licensee shall promptly resolve any errors or discrepancies identified during the audit process and take necessary corrective actions to ensure accurate royalty calculations going forward.
- 4.5 Licensor shall bear all costs associated with the audit, unless the audit reveals an underpayment or miscalculation by Licensee exceeding 5%, in which case Licensee shall reimburse Licensor for the reasonable costs incurred in conducting the audit.
- 4.6 If Licensee fails to maintain adequate records for any Royalty Payment Period, CPG will determine a reasonable amount of royalties owed based on the records maintained by Licensee and other reasonable assumptions deemed appropriate by CPG.
- 4.7 The audit rights of Licensor shall continue for a period of two (2) years, following the termination or expiration of this Agreement, with respect to royalties accrued and payable during such period.

## **5. COMPENSATION AND ROYALTIES**

- 5.1 In consideration of the license granted herein, Licensee shall pay Licensor an upfront license fee of \$5,000,000 USD ("License Fee").
- 5.2 The Licensee has exercised an option to acquire the license and has paid \$100,000 USD as an option fee. The License Fee payable by the Licensee shall be reduced by the amount of the option fee already paid.
- 5.3 Upon execution of this Agreement, the Licensee shall pay \$300,000 USD toward the License Fee, which shall be non-refundable.
- 5.4 The remaining balance of the License Fee, after deducting the option fee and the deposit, shall be covered by a loan provided by Cede Capital ("Loan"). The terms and conditions of the Loan shall be set forth in a separate agreement between the Licensee and Cede Capital.
- 5.5 As collateral for the Loan, Cede Capital shall utilize asset custody services provided by ILOCX to hold the Licensing rights granted to the Licensee under this Agreement. The collateral shall remain with



ILOCX until the Loan is fully paid in accordance with the terms of the Loan agreement.

- 5.6 Until the Loan is fully paid, any sublicensing of the licensed rights by the Licensee shall require the prior approval of Cede Capital.
- 5.7 The Licensee shall diligently make payments toward the Loan in accordance with the agreed-upon schedule and shall comply with all terms and conditions of the Loan agreement.
- 5.8 Licensee shall pay a royalty of \$1,000 on the sale of each iLamp.
- 5.9 Licensee shall pay a royalty of 20% on all revenues derived from Power as a Service (PaaS) related to the licensed products.
- 5.10 Royalties or any other payments received by CPG after the due date shall bear interest at the rate of 18% per annum from the due date or the maximum rate permitted by law, if less than 18%.
- 5.11 Licensee may request changes to existing website, documents, PDFs, videos, or other work provided by CPG. Requested changes will be subject to compensation at our preferential rate for license partners. Licensee agrees to compensate CPG for any requested work performed by CPG or third parties contracted by CPG. Estimates for the costs can be provided upon request.

## **6. COMPLIANCE AND APPROVALS**

- 6.1 All products, modifications, modules, marketing materials, websites and related content must be approved by the Licensor before use by the Licensee. Licensor shall provide its approval or request modifications within a reasonable time not exceeding 5 business days.
- 6.2 Licensee shall obtain all necessary approvals in connection with any print, radio, internet, or television advertising authorized by the Licensor. Licensee represents and warrants that all advertising and promotional materials shall comply with all applicable laws and regulations. Licensee acknowledges that CPG's approval of materials for such advertising does not constitute or imply a representation or belief by CPG that such materials comply with any applicable laws. Ensuring compliance with all applicable laws and regulations shall be the sole responsibility of the Licensee.

## **7. TERM**

- 7.1 This Agreement will commence on the Effective Date and continue for a term of 50 years, unless terminated earlier in accordance with the terms of this Agreement.

## **8. INDEMNIFICATION**

- 8.1 Licensee shall indemnify, defend, and hold harmless Licensor from any claim, damage, liability, or expense arising out of Licensee's use, sale, marketing, or distribution of the licensed products.



## 9. INSURANCE

- 9.1 Licensee shall maintain adequate insurance coverage, including general liability and product liability insurance, with reputable insurance carriers. Licensee shall provide Licensor with proof of such coverage upon request.

## 10. PRODUCT COMPLIANCE

- 10.1 Licensee shall ensure that all products sold are in compliance with all applicable laws and regulations in the country of India.
- 10.2 Licensee shall also ensure that the products conform to any specified requirements or specifications communicated by CPG, such as iLamp's applicable design standards or specifications.
- 10.3 Licensee shall obtain all necessary approvals and certifications required for the manufacture, pricing, sale, and distribution of the products, including any print, radio, internet, or television advertising approvals authorised by CPG.
- 10.4 Licensee shall permit CPG's designated representatives to inspect testing and quality control records and procedures and to conduct product compliance tests, as deemed necessary by CPG. However, CPG is not obligated to conduct such testing and inspection.

## 11. PRODUCT RECALL

- 11.1 In the event of a product recall, Licensee will cooperate fully with Licensor and will bear all costs associated with such recall.

## 12. CONFIDENTIALITY

- 12.1 Each party agrees to keep confidential all non-public information obtained from the other party during the term of this Agreement, unless required by law to disclose such information.

## 13. GOVERNING LAW

- 13.1 This Agreement shall be governed by and interpreted in accordance with the laws of England and Wales.

## 14. INTELLECTUAL PROPERTY RIGHTS



- 14.1 The Licensor retains all rights, title, and interest in the intellectual property related to the licensed products. The Licensee is granted a license to use such intellectual property only to the extent necessary to manufacture, distribute, market, and sell the licensed products in India.
- 14.2 Neither Licensee nor any of Licensee's affiliates shall register or attempt to register copyrights in, or register as a trademark, service mark, design patent or industrial design, or business designation, any of the Intellectual Property or derivatives or adaptations thereof, or any word, symbol, or design that is so similar as to suggest association with or sponsorship by CPG or any of CPG's affiliates.
- 14.3 In the event of a breach of the above provision, Licensee agrees, at Licensee's expense and at CPG's request, to immediately terminate any unauthorised registration activity. Licensee shall promptly execute and deliver, or cause to be delivered, to CPG such assignments and other documents as CPG may require to terminate all rights to the registrations, patents, or applications involved.

## **15. REPRESENTATIONS AND WARRANTIES**

- 15.1 Each party represents and warrants to the other that it has the full right, power, and authority to enter into this Agreement, to grant the rights granted herein and to perform fully all of its obligations in this Agreement.

## **16. TERMINATION**

- 16.1 This Agreement may be terminated by either party upon written notice if the other party materially breaches this Agreement and fails to cure such breach within 30 days of receipt of the notice.

## **17. DISPUTE RESOLUTION**

- 17.1 If a dispute cannot be resolved by the parties within 7 days of the dispute arising, the dispute may be referred by either party to the process of dispute mediation or online commercial arbitration administered by JAMS, Inc. pursuant to its Streamlined Arbitration Rules and Procedures (the "Rules") or any other online dispute resolution (ODR) centre agreed upon between the parties. The mediation or arbitration rules shall be nominated by the mediator or the arbitrator.

## **18. ASSIGNMENT AND SUB-LICENSING**

- 18.1 The Licensee may assign or sub-license its rights and obligations under this Agreement with the prior written consent of Cede Capital while there is a balance to be paid on the loan from Cede Capital. Once the loan balance is paid in full, the Licensee may freely sub-license its rights under this Agreement, using an approved license agreement, without further approval.



- 18.2 Notwithstanding the above, any sub-licenses granted by the Licensee shall contain the same terms and protections afforded to Conflow Power Group ("CPG") and the iLamp product and brand as this license agreement. CPG's approval of sub-licenses is required only to ensure that the sublicenses provide equitable and reasonable protection, without the authority to adjust the terms regarding payments, or royalties, which remain solely within the discretion of the Licensee.
- 18.3 CPG may provide sample sublicenses for reference purposes, but it expressly disclaims any liability or responsibility for the use or effectiveness of such samples. The Licensee shall be solely responsible for its own sub-licenses in compliance with the terms of this Agreement.

**19. FORCE MAJEURE**

- 19.1 Neither party will be liable for any failure or delay in performance under this Agreement due to circumstances beyond its reasonable control.


IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**CONFLOW POWER GROUP**

**MARIAMTEK INC.**

Names:  
Edward Fitzpatrick

Names:

Signed : 

Signed : .....

Position : **Director**

Position :

Dated :

Dated :