

PGS Standard Purchase Agreement

59 Damonte Ranch Parkway, Suite B-308, Reno, NV 89521-1907. PH: 800.818.2674x103

FX: 775-241-4351. Email: pgs@PGSreno.com Website: PGSreno.com

THIS AGREEMENT made binding and entered into the day of signing the **"PGS Invoice & Term Sheet"** or the day of receipt of initial deposit or down payment. This agreement is by and between PORTABLE GREENHOUSE SYSTEMS, a Division of Vajra LLC, (hereinafter "PGS") a domestic Nevada Limited Liability Company, with its principle place of business located at 59 Damonte Ranch Pkwy, B-308, Reno, Nevada 89521 (hereinafter "Seller"), and an individual or company duly named on the **"PGS Invoice & Term Sheet"**, (hereinafter "Buyer").

WHEREAS, Buyer desires to purchase from Seller and Seller desires to sell to Buyer certain system equipment and installation;

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

1. **SYSTEM EQUIPMENT DESCRIPTION:** Seller agrees to sell and Buyer agrees to buy the greenhouse equipment, systems, and items, described in **"PGS Invoice & Term Sheet"**, attached hereto (hereinafter "Greenhouse Equipment") and which **"PGS Invoice & Term Sheet"** is incorporated herein and a part hereto by this reference.
2. **PURCHASE PRICE:** Subject to the terms of paragraph three (3) below, the total purchase price defined in **"PGS Invoice & Term Sheet,"** to be paid by Buyer to Seller for the Greenhouse Equipment and installation described herein shall be F.O.B. place of shipment.
3. **PAYMENT:** Buyer shall pay to Seller the purchase price as outlined in **"PGS Invoice & Term Sheet,"** incorporated herein.
4. **BUILDING PERMIT AND DRAWINGS:** Buyer is obligated to apply for and obtain any Building Permit that may be required and to provide the site code specifications unto Seller. Once Seller has been provided the site specifications, Seller is obligated to provide Drawings and submit these drawings to Buyer for approval.
 - a. **DRAWINGS:** Drawings shall be considered final and approved upon Buyer's written acceptance and signature or initials upon each page of Drawings, attached to the **"PGS Invoice & Term Sheet."**
 - b. **BUILDING PERMIT:** It is Buyers responsibility to ensure that all Drawings meet requirements of any applicable building code(s), state, federal, or municipal laws, or other regulations.
5. **TITLE - RISK OF LOSS AND INSURANCE:** Seller is to carry appropriate insurance coverage. Any cost adjustment necessary to increase the coverage to meet any Buyer stipulated insurance requirements (above what Seller currently carries) will be the responsibility of the Buyer. Buyer will provide the Seller a certificate of insurance prior to or upon delivery. Title to and risk of loss for all equipment to be supplied hereunder by Seller shall pass to Buyer upon arrival of same at the Site.

From the time of receipt of the Greenhouse Equipment to be supplied hereunder by Seller until payment in full has been received for same by Seller, Buyer will maintain insurance coverage on the Greenhouse Equipment supplied hereunder by Seller in an amount sufficient to pay any outstanding sums due or that will become due from Buyer to Seller for said Greenhouse Equipment. Seller will be listed as a named insured on all such insurance coverage. If so requested by Seller, Buyer will cause certificates of insurance to be supplied to Buyer to verify

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the insurance coverage described herein is in place. Such insurance will not be materially reduced or canceled without the prior written consent of Buyer.

Buyer shall grant to Seller a present and continuing security interest in the Greenhouse Equipment supplied hereunder until Seller has been paid in full pursuant to the terms as outlined in "**PGS Invoice & Term Sheet**" and herein. Buyer shall promptly execute and deliver such documentation as may be required by Seller, in proper form, to perfect Seller's security interest under the Uniform Commercial Code or any other relevant statute, law, or regulation. Buyer will not cause or permit any other security interest, lien, encumbrance or claim to attach to the site or Greenhouse Equipment which shall have priority over or be ahead of Seller's security interest, as described herein, and Buyer authorizes Seller to make any public filings necessary to perfect or maintain its security interest under the Uniform Commercial Code, or any other relevant statute, law, or regulation.

Until Seller has received full payment of the purchase price, Seller shall have all rights and remedies of a Seller and secured party as established or permitted upon agreement by the Uniform Commercial Code, in addition to all other rights as established herein, which rights and remedies, to the extent permitted by law, shall be cumulative.

6. **INSTALLATION:** Buyer shall provide the storage space needed to house the Greenhouse Equipment (per "**PGS Invoice & Term Sheet**"), and Seller shall perform installation of all items (if any) as set forth in "**PGS Invoice & Term Sheet**".
7. **TRAINING AND OPERATIONAL INSTRUCTION:** Seller shall provide Buyer with all the instructional documentation supplied by the manufacturer of the Greenhouse Equipment described in "**PGS Invoice & Term Sheet**".
8. **WARRANTY:** All manufacturers warranties supplied to Seller by the manufacturers of the Greenhouse Equipment described in "**PGS Invoice & Term Sheet**" will be passed onto Buyer. Each item of Greenhouse Equipment to be supplied will strictly conform to the individual specifications set forth on "**PGS Invoice & Term Sheet**", attached hereto. The Greenhouse equipment will be free from defects in design, material, and workmanship, both latent and patent, and will be fit for the use reasonably intended.
9. **REPRESENTATIONS, WARRANTIES AND LIABILITIES:** Seller warrants that the Greenhouse Equipment listed on "**PGS Invoice & Term Sheet**" will meet or exceed the performance criteria listed for same on "**PGS Invoice & Term Sheet**", and that the meet or exceed the requirements of the local Building Department so long as:
 - a. The Greenhouse Equipment has not been damaged or in any way altered by Buyer;
 - b. The Greenhouse Equipment has been operated and maintained in accordance with manufacturer's instructions;

Seller shall be responsible for, indemnify and hold harmless Buyer, its employees, agents, guests, invitees, and tenants from any and all claims, damages, fees, expenses, and costs for personal injury and property damage caused by or resulting from Seller's performance hereunder, or from the actions or conduct of Seller, its employees, agents and representatives provided however, that Seller shall not be liable for special or consequential damages.

Buyer shall be responsible for, indemnify and hold harmless Seller, its employees, agents, guests, invitees, and tenants for any and all claims, damages, fees, expenses, and costs for personal injury and property damage caused by or resulting from Buyer's performance hereunder, or

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from the actions or conduct of Buyer, its employees, agents and representatives; provided however, that Buyer shall not be liable for special or consequential damages.

Each party represents and warrants to the other that:

It has or will have the requisite power, authority, licenses and permits to execute and perform under this Agreement;

- I. The execution and performance of this Agreement have been duly authorized by, and are in accordance with the legal purposes of, each party,
- II. The execution and performance of this Agreement will not result in any breach or violation of, or constitute a default under an agreement, instrument, or document to which either party may be a party;
- III. Neither party has received any notice, nor to the best of its knowledge is there pending or threatened any notice, that the terms of the Agreement would violate any applicable laws, ordinances, regulations, rules or decrees which would materially adversely affect its ability to perform under this Agreement;
- IV. It has provided to the other party all records requested pertaining to this Agreement, and all information contained therein is, to the best knowledge of the party supplying such records, true and accurate material respect;
- V. All approvals required hereunder by either party will not be unreasonably withheld and will be supplied with adequate timeliness so as not to delay, hinder or obstruct the performance of the other party.

10. ALTERATIONS AND INTELLECTUAL PROPERTY RIGHTS: Notwithstanding the requirement of numbered paragraph nine (9), above, at such time as the system is on line and in operation, should Buyer alter or modify the Greenhouse Equipment in a way that, in the determination of Seller, improves the performance, reliability, or suitability, Seller and/or Seller's manufacturer or supplier, their agents, heirs, or assigns, shall have the right to incorporate such alteration or modification into other Greenhouse Equipment, patents, or Intellectual Property (IP) without any requirement to pay to Buyer, their agents, heirs, or assigns, any royalty or other use fee.

Buyer shall maintain protection of the Intellectual Property of the Seller, whether under trademark, copyright or not. The Seller shall be the owner of all Intellectual Property rights of all Greenhouse Equipment, including, but not limited to, rights arising from the obtaining of letters of patent or copyright in respect thereof.

Buyer agrees that the Seller is and shall remain the exclusive owner of Proprietary Information, Confidential Information, and all patent, copyright, trade secret, trademark and other intellectual property rights of the Greenhouse Equipment. No license or conveyance of any such rights to the Buyer is granted or implied under this Agreement.

11. CONFIDENTIALITY: Any information, drawings, manuals, or other documents (proprietary Information) delivered to Buyer shall be received and treated by the receiving party in secrecy and confidence and shall not be used by buyer for any purpose, except in furtherance of the terms of this Agreement; provided however, that such information may be disseminated within

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the Buyer own organization only to the extent reasonably required to fulfill the terms of this Agreement.

Non-Compete and Non-Circumvent Agreement. For a period of five (5) years following termination or cessation of this Agreement, Buyer agrees to be bound by this Agreement and will not intentionally or negligently engage in any competitive business, interfere, circumvent, avoid, bypass, gain interest, disclose, reveal or make use of any Proprietary or Confidential Information, without written consent of the Seller.

- 12. PATENT INDEMNITY:** Seller shall defend, indemnify and hold Buyer harmless against all claims, actions, costs and liability resulting from actual or alleged patent infringement, domestic or foreign, in the use and/or sale of the Greenhouse Equipment listed on "PGS Invoice & Term Sheet", provided that Buyer gives Seller a notice of claim or action against Buyer within ten (10) days of the date of receipt thereof by Buyer, and Buyer permits Seller to control the defense thereof.

Seller may, at its expense and at its option, with the approval of Buyer, either:

- a. Procure for Buyer and its customers the right to continue to use the Greenhouse Equipment that is the subject of claim or action or
 - b. Modify the equipment so that it becomes non-infringing, so long as the performance is not altered or reduced thereby or the warranties affected in any manner; or
 - c. Accept return of the Greenhouse Equipment subject to the claim or action and refund the pro-rata share of the purchase price or replace the equipment with a unit of equal or greater quality
 - d. This numbered paragraph twelve (12) shall constitute the sole remedy of Buyer for patent infringement and shall constitute the sole liability of Seller for patent infringement.
- 13. FORCE MAJEURE:** Force Majeure shall mean any cause or causes which wholly or partly prevent or delay the performance of obligations arising under this Agreement and shall include, without limitation by enumeration, an act of God, explosion, accident, fire, epidemic, landslide, lightning, earthquake, storms, flood or similar cataclysmic occurrence; an act of the public enemy, war, blockade, insurrection, riot, civil disturbance, sabotage, strikes, lockouts, or other labor difficulties; unavailability of labor, fuel, power or raw materials, plant breakdowns or equipment failure due to cause(s) beyond the reasonable control of the affected party; inability to obtain supplies; restrictions or restraints imposed by law or by rule, regulation or order of governmental authorities, whether Federal, State or local; action or failure to act of governmental authorities; interruption or other loss of utilities due to causes beyond the reasonable control of the affected Party; and any other cause beyond the reasonable control of the Party relying on such cause to excuse its performance hereunder.

In the event that the parties are unable in good faith to agree that a Force Majeure event has occurred, the parties shall submit the dispute for arbitration, provided that the burden of proof as to whether an event of Force Majeure has occurred shall be upon the party claiming an event of Force Majeure.

If either party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure event, that party shall be excused from whatever performance is affected by the Force Majeure event to the extent so affected, provided that:

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The non-performing party, within a reasonable period after the occurrence of the inability to perform due to a Force Majeure event:

- a. Provides written notice to the other party of the particulars of the occurrence, including an estimation of the event's expected duration and probable impact on the performance of its obligation hereunder, and
- b. Continues to furnish timely, regular reports with respect thereto during the period of Force Majeure; and
- c. The non-performing party shall exercise all reasonable efforts to continue to perform its obligations hereunder and remedy its inability to so perform; and
- d. The non-performing party shall provide the other party with prompt notification of the cessation of the event of Force Majeure, giving rise to the excusal from performance and,
- e. No obligation of either party that arose prior to the occurrence of the event of Force Majeure shall be excused as a result of such occurrence.

Nothing in this Paragraph 13 shall require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the party involved in the dispute, are contrary to that party's interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be entirely within the discretion of the party having the difficulty.

14. **CHANGES:** Buyer, without invalidating this Agreement, may order changes in the type or quantity of Greenhouse Equipment to be supplied by Seller hereunder, within the general scope of the Agreement; provided that any such change shall entitle Seller to an equitable adjustment in purchase price and/or the time allowed Seller for performance. No such change over ten percent (10%) in the scope of supply shall be performed by Seller without approval from Buyer or Buyers agent(s).
15. **STATE LAW:** It is the intention of the parties that this Agreement and its performance hereunder shall be governed by and construed in accordance with the laws of the State of Nevada and that, in any action, special proceeding or other proceeding that may be brought, arising out of, in connection with, or by reason of this Agreement, the laws of the State of Nevada shall be applicable and shall be given to the exclusion of any other forum, without regard to the jurisdiction in which any action or special proceeding may institute. Legal actions regarding this Agreement may be brought only in the State of Nevada.
16. **NO WAIVER:** No provision of this Agreement may be waived except by agreement in writing, signed by the waiving party. A waiver of any term or provision of this Agreement shall not be construed as a waiver of any other term or provision.
17. **BINDING EFFECT:** This Agreement shall be binding upon the parties, their heirs, legal representatives, successors and assigns.
18. **CONSTRUCTION:** The singular shall include the plural, the plural shall include the singular and the masculine and neuter shall include the feminine, wherever the context so requires.
19. **SEVERABILITY:** If any provision of this Agreement is declared by any court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions. Such remaining provisions shall be fully severable and this Agreement shall be construed and enforced as if such invalid provisions never had been inserted in this Agreement.

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- 20. AMENDMENT:** This Agreement may be amended, altered or revoked at any time, in whole or in part, by filing with this Agreement a written instrument setting forth such changes, signed by Buyer and Seller.
- 21. NOTICES:** All notices required to be given by this Agreement shall be in writing by either personal delivery to the party requiring notice, with a written receipt, or by mailing such notice to the last known address of the party requiring notice by certified mail, return receipt requested. The effective date of such notice shall be the date of receipt of such notice. The current addresses of the parties are as set forth in **"PGS Invoice & Term Sheet"**.
- 22. ASSIGNMENT:** Neither party to this Agreement shall assign its rights and obligations under this Agreement. Except by merger or operation of law, without prior written consent of the other party, which consent shall not be unreasonably withheld.
- 23. PAYMENT, CREDIT, AND DELIVERY TERMS:** Any payments made are subject to verification of funds if not paid by cash, certified check or wire transfer, before material will be released for shipment. Seller may require a personal guarantee. Goods are insured by Contractor prior to delivery. Delivery is considered complete upon drop off of the goods at location designated in **"PGS Invoice & Term Sheet"**. Any damage done to the goods after drop-off is the responsibility of the Buyer. Buyer shall have ten (10) days to fully inspect the goods as delivered by the Contractor. If any of the goods are found to be non-conforming upon delivery, Buyer shall notify Contractor within ten (10) days, including the date of delivery. Contractor shall have reasonable time to inspect and cure any default or damage reported. A full inspection shall be conducted by Contractor and Contractor's team. Any and all defects shall be repaired within a reasonable amount of time. If no defects are found, or defects are found to have been created by the Buyer, Buyer recognizes purchase of an as-is warranty accompanied the purchase. As such, any damage, defect, or issue created or caused to the goods after time of delivery are the responsibility of the Buyer, and the Contractor has no duty to cure. **ANY DELAY IN PAYMENT WILL RESULT IN A DELAY OF SHIPMENT, LEAD TIME, OR DELIVERY OF YOUR ORDER. THE FOLLOWING ADDITIONAL CHARGES ALSO APPLY:**
- a. Finance charge one point five percent (1.5%) per month on all past due amounts with a minimum monthly finance charge of ten dollars (\$10.00).
 - b. Collection fees, lien fees, and associated legal fees to be paid by the Buyer.
 - c. Installation may be noted as plus expenses which includes but is not limited to the following: food, lodging, tolls, parking fees, and unforeseen installation or construction costs. **INSUFFICIENT FUNDS FEE:** Buyer will be charged a fifty dollar (\$50) fee for any checks returned for insufficient funds. THE COMPANY reserves the right to file a lien, including the right to send a Notice of Intent to File a Lien if payment is not made in a timely manner. All fees incurred as a result will be the responsibility of the Buyer. **FAILURE TO PAY IN ACCORDANCE WITH THE TERMS OF THE CONTRACT WILL VOID APPLICABLE WARRANTIES WHERE ALLOWED BY LAW.**
- 24. CHARGEBACKS:** Inappropriate chargebacks by credit card customers are costly to process and may subject the person making the chargeback to civil and criminal liability. If you wish to report a problem or defect (warranty) contact the Company immediately. Any unilateral chargebacks may be contested and are subject to a fifty dollar (\$50) fee. Any additions fees or cost incurred by The Company as a result of the chargeback will be the responsibility of Buyer, should the

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chargeback be contested and win. Any chargeback will result in permanent cancellation of credit card purchasing privileges and will further void all warranties.

25. **JOINT CHECK AGREEMENT:** The Company reserves the right to require a Joint Check Agreement or escrow account of any Buyer regardless of credit history.

26. **WHOLE AGREEMENT:** This agreement is intended to represent the entire agreement between the parties hereto. Any oral agreements or representations entered into or made prior to the execution of this Agreement are considered merged hereunto and made a part hereof.