

PRODUCT and SUPPLIER REQUIREMENTS

Exhibit A – PACKAGING/LABELLING/QUALITY

Packaging Standards

All Products carried by Cannabis NB must comply with:

- The Cannabis Act and its regulations for packaging and labelling.
- The Consumer Packaging and Labelling Act and its regulations.
- The New Brunswick Beverage Container Act.

[LICENSED PRODUCER] is expected to comply with any deadlines to update and/or revise packaging, as required by Law as new standards are announced and/or put into effect.

Beverage Container Program

Any cannabis beverage sold by Cannabis NB must be registered by [LICENSED PRODUCER] with the Atlantic Province Beverage Container Program. Under this program [LICENSED PRODUCER] must collect a beverage container deposit from Cannabis NB for each beverage unit sold to Cannabis NB and those beverage container deposits must be remitted directly to the province of New Brunswick by [LICENSED PRODUCER].

New Brunswick Label Requirements:

All Products carried by Cannabis NB must include the following label elements:

Both official languages (English & French) text of:

- Product Class
- Allergens (if applicable)
- Beverage container refund statement (if applicable)

The following are acceptable versions of the wording that Cannabis NB has the latitude to approve. Any other versions must be approved by the New Brunswick Dept. of Environment (via Cannabis NB)

- Refund/Consignee
- Return for refund where applicable/Consignee la ou la loi le prescrit
- *Return for refund where applicable/Bouteille consignee selon la loi*

The minimum lettering size is 1/8th of an inch (3.2 mm) based on upper case letters.

Barcodes:

- RF scan-capable <u>UPC-A Barcode (1D)</u> or <u>GTIN-14</u> on both the selling unit and the master shipping carton.
- RF scan-capable barcode which indicates Lot number on the master shipping carton.

Shipping Carton Label

Free form text (human readable) of the following information on the master shipping carton:

- 1. Product name
- 2. Selling unit size (ex. 3.5g)
- 3. Quantity of selling units in the shipping carton
- 4. Packaged-on Date (Day/Month/Year)
- 5. Expiry Date (Day/Month/Year)
- 6. Province code (NB)

Quality

Products received by Cannabis NB must be in good condition, with no cracked, crushed, or wet packaging. Package seals must be intact. Excise stamps must be fully affixed (if applicable).

Shelf Life

[LICENSED PRODUCER] will take reasonable steps to ship Products no more than 60 days post packagedate in order to maximize the shelf-life of Cannabis NB stock.

Master Case

Packs must not contain packages with mixed lot numbers or mixed expiry dates. Master Case packs will only be accepted in full case quantities.

Receiving Requirements

- The maximum height of each skid of Product must not exceed 182cm, including the height of the pallet.
- Products are to be shipped on pallets which are compatible with standard racking systems. The pallets must be standard 122cm by 102cm sized pallets in good condition, with solid stringers and deck boards.
- Any pallets exceeding 1500 lbs. must be on a pallet that can withstand the weight of the product when being placed on racking system.
- Products on pallets MUST be shrink-wrapped to prevent shifting or toppling during transit.
- All items and different LOT#s for cannabis items should be separated on skids by slip sheets with the greater amount on the bottom of the pallet.
- Pallets are to be loaded on a trailer "straight." They should not be "turned," or "pinwheeled," or "distributing weight."
- A Bill of Lading (BOL) must be provided with each shipment. One copy of the BOL must be with the Driver, the second copy of the BOL must be affixed to the physical shipment. Each BOL must contain the CNB Purchase Order number and name of the Supplier.
- A packing slip must be provided with each shipment. Packing slips must contain the following information:
 - Supplier name

- CNB Purchase Order number
- CNB Item Number
- o Barcode
- Product Description
- o Variant
- o Lot Number
- o # of Cases
- o # of Units.

Exhibit B – TRADE MERCHANDISING

Product Descriptions

Cannabis NB requires both official languages product descriptions to be submitted for each selling unit. These will be evaluated and approved unless otherwise communicated by Cannabis NB for use on the Cannabis NB web site.

Product Images

Cannabis NB requires the following for each SKU:

- A professional image of the front of the selling unit. Selling unit packaging will reflect actual Health Canada approved packaging for use on the Cannabis NB web site. (Specs below)
- A professional image of the back of the selling unit. Selling unit packaging will reflect actual Health Canada approved packaging for use on the Cannabis NB website. (Specs below)
- A professional image of product i.e. Dried flower, pre-roll, accessory, concentrate, edible etc. without packaging for use on the Cannabis NB web site. (Specs below)

All images must meet the following specifications:

- JPEG file type
- Ideally 1088px x 1440 px
- White background
- Centered horizontally and vertically in the frame

On-Packing

Unless approved in advance by Cannabis NB, advertising matter or novelties of any sort <u>may not</u> be enclosed in shipping cases or attached to Products.

Exhibit C - DELIVERIES

Product Deliveries

Vendor Lead Time

All purchase orders received by [LICENSED PRODUCER] will be filled and shipped to Cannabis NB within a maximum of 30 Business Days.

Delivery Process

- All Products ordered by Cannabis NB must be delivered directly by Supplier or their designated carrier to the Delivery Location noted on the purchase order. In cases of mis-delivery, a fine may be issued to the Supplier.
- The designated delivery person must be 19 years of age or older.
- The designated delivery person must present photo company ID and a bill of lading at the store delivery door area or to the appropriate contact at Cannabis NB's third-party logistics center.

Approved Delivery dates/times

Monday to Friday between 8:00 am and 3:00 pm

Any deliveries scheduled outside these times should be conveyed to Cannabis NB two business days in advance and approved by Cannabis NB.

Delivery Location Site# 5121 RSL Warehouse 120 English Drive Moncton, NB E1E 4G7

Cannabis NB reserves the right to request an alternate delivery location. In this instance, Cannabis NB will provide Supplier with reasonable notice of this request and the alternate delivery location will be noted on the purchase order.

Overages / Shortages

Cannabis NB requires the Supplier to communicate to <u>producta@cannabis-nb.com</u> any known overages or shortages prior to delivery to facilitate revision of the Purchase Order for the warehouse. Failure to communicate overages or shortages exceeding +/- 10% of the original Purchase Order amount may result in a 25% cost reduction on the affected SKUs at the discretion of the Category Team.

Exhibit D

Biweekly Cadence

To maintain a streamlined and efficient inventory management system, suppliers are requested to adhere to the following guidelines for stock offers. These guidelines ensure that Cannabis NB receives regular updates on available inventory unless alternative arrangements have been approved.

Product requirements sets forth the mandatory obligations and specifications for submitting stock offers to Cannabis NB. The parties involved, hereinafter referred to as "Supplier," and Cannabis NB, agree to adhere to the following contractual provisions:

Timely Inventory Offers

Suppliers are expected to provide regular inventory offers for any listed products, otherwise authorized by Cannabis NB. This practice enables us to keep our inventory current and meet the demands of our valued customers. unless

Biweekly Stock Updates

Suppliers are required to submit their available stock offers on a biweekly basis. These updates should be sent to Product@cannabis-nb.com. To ensure prompt attention, please use the subject line: "CNB Biweekly Available Inventory."

By adhering to these guidelines, suppliers demonstrate their commitment to efficient inventory management and facilitate a mutually beneficial partnership with Cannabis NB. We appreciate your cooperation in ensuring that our inventory accurately reflects the current market availability. Should you have any questions or require further assistance, please do not hesitate to contact our team.

Format

Submission Format: All stock offers shall be submitted in Microsoft Excel (XL) format, which is deemed the exclusive format for inventory offers, as prescribed by Cannabis NB.

Biweekly Inventory Offer Details: To ensure accurate inventory replenishment and compliance with regulatory standards, Suppliers shall provide comprehensive details in their biweekly inventory offers, including but not limited to:

- a. Product Name Variant (as supplied by CNB)
- b. Variant Number (as supplied by CNB)
- c. Product Class
- d. Size
- e. Live THC Content (without ranges)
- f. Landed Cost
- g. case size
- h. quantity available for replenishment

Template Usage

To streamline the stock offer process and maintain uniformity, Suppliers are contractually obligated to utilize the attached template provided by Cannabis NB. The use of this template shall promote accuracy and efficiency in inventory management operations.

Compliance and Consequences

Failure to comply with the requirements may result in delayed or rejected stock offers. Cannabis NB reserves the right to enforce penalties, withhold payments, or disqualify Suppliers from future transactions for non-compliance.