

March 31, 2025

## **VIA EMAIL**

Dear Licensed Producer,

## Re: Notice of Amendment to the Licensed Producer Supply Agreement for Non-Medical Cannabis – Effective May 1, 2025

You have entered into a Licensed Producer Supply Agreement for Non-Medical Cannabis, as may have been previously amended, ("**Supply Agreement**") with His Majesty the King in right of the Province of British Columbia, as represented by the Administrator of the *Cannabis Distribution Act* (the "**Province**" or the "LDB"). Under the Supply Agreement, you agree to sell and the Province agrees to purchase non-medical cannabis products on certain terms and conditions.

The Province is sending you this notice, pursuant to Section 30 of the Supply Agreement, that the Supply Agreement will be amended as of May 1, 2025. Among these amendments are changes to reflect a transition from bi-weekly to monthly reporting requirements for direct delivery, however you should complete a comprehensive review of the amended Supply Agreement and seek independent legal advice, if necessary.

The following amendments to the Supply Agreement will take effect as of May 1, 2025:

• Section 9 is deleted in its entirety and replaced with the following:

"The Licensed Producer will comply with the Province's policies and procedures for Cannabis Products posted on the Province's Cannabis supplier informational websites for Central Delivery (the "**CD Webpage**"), currently located at https://www.bcldbcannabisupdates.com/bcldb-cannabissupplier-information, and Direct Delivery (the "**DD Webpage**"), currently located at https://www.bcldbcannabisupdates.com/bcldb-cannabis-directdelivery. The location and content of the CD Webpage and the DD Webpage may be updated by the Province from time to time without notice to the Licensed Producer.";

- Section 25 is amended by deleting "Name Jeff Ring";
- Appendix A1, Section 10 is amended by deleting "FOB" and replacing it with "DDP", and by deleting "2010" and replacing it with "2020";
- Appendix A1, Section 18 and Appendix B1, Section 13 are each amended by deleting "product information" and replacing it with "Product Information";
- Annex B, Section 18 and Appendix B2, Section 1(b) are each amended by deleting "bi-weekly";

- Annex B, Section 20(b) and Appendix B2, Section 3 are each amended by deleting "bi-weekly basis (i.e. once every 2 weeks)" and replacing it with "monthly basis";
- Appendix B1, Section 8 is amended by deleting "on a prepaid FOB (Incoterms 2010) receipt basis";
- Appendix B2, Section 4 is deleted in its entirety and replaced with the following:

"Reporting must be submitted for any calendar month in which sales or returns are processed. For certainty, reporting for any calendar month in which neither sales nor returns were processed is also required. The LDB must receive all required or requested Sales Reports no later than the fifteenth day following the end of each calendar month (or the week of request as the case may be)."; and

• Appendix B2, Section 11 is amended by deleting "weekly".

In all other respects the Supply Agreement is confirmed.

The new version of the Supply Agreement is dated for reference May 1, 2025.

If you have any questions related to the changes to your Supply Agreement, please contact: Jeff Ring, Director Supply Chain, Cannabis - Supply Chain at <u>jeffrey.ring@bcldb.com</u> or 604-420-8241.

Sincerely,

R. Blain Lawson Administrator of the *Cannabis Distribution Act* 

cc. Gayle Corah, Assistant Deputy Minister, Cannabis Operations Julia Aspinall, Assistant Deputy Minister & Chief Financial Officer, Finance Jeff Ring, Director Supply Chain, Cannabis - Supply Chain