



# TERM SHEET FOR PROFIT-SHARING CONTRACT BETWEEN

## HEMP PROCESSOR AND HEMP FARMERS

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- One-year Industrial Hemp Processor guaranteed purchase contract with Farmers renewable by mutual consent.
- \$300 per ton guaranteed purchase price of bailed hemp in the field in addition to Profit Sharing with Hemp Processor of 25% of annual net profits of Hemp Processor shared by Farmers proportional to 7500 ton per processor annual bailed tonnage provided by Farmer. If Farmer provides all 7500 ton per year, then Farmer receives all of 25% profit share per Processor. Additional Processors will be added in second year.
- Purchase price guaranteed upfront by contract, plus Preferred stock of Industrial Processor enabling Farmer to share in 25% of Hemp Processor annual net profits pro-rata to bailed tonnage of Industrial Hemp sold to processor.
- Hemp processor supplies seed and fertilizer to farmer at cost payable out of final purchase funds provided to Farmer.
- After full payment of \$300 per bailed ton purchase price in addition to sharing of the 25% annual per processor net profits the remaining Preferred stock may be converted into common stock of processor and will share in any future common stock dividends. Processor plans to become public with tradeable common stock in the future.
- Initial estimates of profit-sharing projections indicate profit sharing should add equivalent of 50-100% in first year to \$300 per ton purchase price and as much as 200-400% per ton in subsequent years.
- 27% of company common stock (4,000,000 common shares) is initially being sold in Company Private Placement to investors who will participate in any future dividends from the common stock. This is in addition to profit sharing and common stock ownership with sharing of any future common stock dividends by Farmer (Farmer Group). Private Placement is available at [www.hemp-solutions.us](http://www.hemp-solutions.us).