OCTION LABS INC. - ADVISOR TERM SHEET

JACKIE - STRATEGIC ADVISOR (LEGAL, COMPLIANCE, IP MANAGEMENT, PARTNERSHIPS)

Date: ________________

Company: Oction Labs Inc., an Alberta corporation

Advisor: Jackie

Advisor Role: Strategic Advisor

Advisor Tax Residence: United States of America

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1. EQUITY GRANT

Oction Labs Inc. will grant Jackie common shares equal to **1%** of Oction Labs Inc.'s issued and outstanding equity on a fully diluted basis, as of the effective date.

Corporate Separation: Oction Labs Inc. and any agency, consulting, or service corporation operated separately (collectively, "Separate Entities") are distinct legal entities. The equity grant described in this term sheet is solely in Oction Labs Inc. No commission, fee, or introduction payment from any Separate Entity confers any equity or ownership interest in that Separate Entity.

US Securities Law Compliance: The grant will be structured to comply with an available exemption from registration under the United States Securities Act of 1933, including Regulation D Rule 506(b). Jackie must qualify as an "accredited investor" as defined in Rule 501 and provide reasonable evidence of accredited investor status upon request.

Canadian Tax Election: The parties may elect under section 85 of the Income Tax Act (Canada) on the transfer of property for shares, subject to US tax compatibility and the Advisor obtaining independent US tax advice. The election relates solely to Canadian tax consequences.

2. VESTING SCHEDULE

The grant will vest over **24 months** from the effective date.

Tranche	Percentage	Vesting Condition
Time-based	0.25% (25% of total)	Monthly over 24 months (1/24 per month)
	0.1875%	

Tranche	Percentage	Vesting Condition
Milestone 1		Delivery of a foundational legal/IP/compliance framework for client deployments
Milestone 2	0.1875%	Completion of first client-facing compliance review or data protection assessment
Milestone 3	0.1875%	First client contract with initial value of CAD $100,000 or more attributable to Advisor's introduction
Milestone 4	0.1875%	Successful close of first strategic partnership directly introduced by Advisor

3. COMMISSION ON CLIENT CONTRACTS

For any client introduced by Advisor that enters into a contract with Oction Labs Inc. or Oction Consulting and Marketing Inc.:

- **10% of Year 1 initial contract value**.
- Applies to both Oction Labs Inc. AI deployment engagements and Oction Consulting and Marketing Inc. service engagements.
- Commission payments by Oction Consulting and Marketing Inc. or any Separate Entity do not entitle Advisor to any equity or ownership interest in that entity.
- **Renewals:** Commission is also payable on renewals, extensions, and additional work signed with the same client, provided the original introduction was documented under Section 5 attribution requirements. Renewals and additional work may be with either Oction Labs Inc. or Oction Consulting and Marketing Inc. (or any Separate Entity), and commission is payable on all such continued revenue regardless of which entity bills the client.
- Paid net 15 days after client payment is received and cleared.

Tax Withholding: Commission payments are subject to applicable withholding tax. Jackie must deliver a valid IRS Form W-8BEN before any commission payment is made.

Attribution requirement: The introduction must be documented by an email, LinkedIn message, or other written communication from Advisor to the decision-maker, copied to or reported to Oction.

4. INTRODUCTION FEE ON STRATEGIC PARTNERSHIPS

For commercial partnership transactions directly introduced by Advisor:

- **2% of gross amount received by the Company**.
- No cap per transaction.
- Paid at transaction close.

- Same attribution requirements as Section 3.

Securities Exclusion: No fee is payable for introductions that result in the purchase of the Company's equity, debt, or other securities. Advisor is not authorized to act as a broker, dealer, finder, or placement agent in connection with any securities offering.

5. ADVISORY BUDGET AND LEGAL RETAINER

The Company will provide an annual advisory budget of CAD $[Amount] (the "Advisory Budget") for the Advisor to allocate toward legal fees, compliance costs, IP management expenses, and time spent on advisory matters. The Advisory Budget will be paid or reimbursed monthly against documented time and invoices and reviewed annually; it may increase as the Company grows. Any services beyond the Advisory Budget will be set out in a separate Legal Services Retainer Agreement.

Jurisdictional Limitation: Advisor is not authorized to provide Canadian legal advice unless separately licensed to do so in a Canadian jurisdiction. Canadian legal advice will be provided by qualified Canadian counsel engaged by the Company.

6. ROLE AND EXPECTATIONS

Advisor will support Oction Labs Inc. in:

- Structuring legal and compliance frameworks for client deployments, data handling, and contracting, subject to the jurisdictional limitation above.
- Advising on intellectual property management and protection strategy for company technology, processes, and client deliverables.
- Supporting partnership development, including introductions, negotiation support, and deal structure.
- Identifying and opening doors to legal, compliance, regulatory, and strategic connections.
- Providing feedback on risk, governance, and go-to-market strategy for regulated sectors.
- Acting as a referenceable advisor for sales and investor conversations.

Advisor is not an employee, director, officer, or agent of the Company. Advisor has no authority to bind the Company, negotiate on its behalf, or incur obligations.

7. TIME COMMITMENT

Advisor will make reasonable efforts to provide ongoing strategic support, with a target of at least one substantive engagement per month (call, introduction, review, or meeting) and responsiveness to high-priority requests within 3 business days.

8. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

Advisor agrees to standard confidentiality obligations regarding company information, client data, and business plans. Any work product created for Oction Labs Inc. is owned by the Company.

9. TERMINATION

Either party may terminate the advisory relationship with 30 days' written notice. Upon termination, all unvested equity is forfeited. Vested equity, earned commissions, fees, and any earned but unpaid Advisory Budget allocations remain payable subject to clawback provisions in the definitive agreement.

10. DEFINITIVE DOCUMENTATION

This term sheet is non-binding and for discussion purposes only, except for Sections 8 and 9 which are intended to be binding. The parties will negotiate and execute a definitive Advisor Agreement.

11. GOVERNING LAW

This term sheet and the definitive agreement will be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.