

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT3810910

|   |  |                       |
|---|--|-----------------------|
| <b>SUBMISSION TYPE:</b>   | NEW ASSIGNMENT                         |                       |
| <b>NATURE OF CONVEYANCE:</b>  | ASSIGNMENT                             |                       |
| <b>CONVEYING PARTY DATA</b>   |  |                       |
|   | <b>Name</b>                            | <b>Execution Date</b> |
|   | GREG WATERBURY                         | 08/21/2015            |
| <b>RECEIVING PARTY DATA</b>   |  |                       |
| <b>Name:</b>  | CANNAVEST CORP.                        |                       |
| <b>Street Address:</b>  | 2688 SOUTH RAINBOW BLVD.               |                       |
| <b>Internal Address:</b>  | SUITE B                                |                       |
| <b>City:</b>  | LAS VEGAS                              |                       |
| <b>State/Country:</b>   | NEVADA                                 |                       |
| <b>Postal Code:</b>   | 89146                                  |                       |
| <b>PROPERTY NUMBERS Total: 1</b>  |  |                       |
|   | <b>Property Type</b>                   | <b>Number</b>         |
|   | Application Number:                    | 14791184              |
| <b>CORRESPONDENCE DATA</b>  |  |                       |
| <b>Fax Number:</b>  |  |                       |
| <i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i> |  |                       |
| <b>Email:</b>   | docketing@procopio.com                 |                       |
| <b>Correspondent Name:</b>  | PROCOPIO CORY HARGREAVES & SAVITCH LLP |                       |
| <b>Address Line 1:</b>  | 525 B STREET                           |                       |
| <b>Address Line 2:</b>  | SUITE 2200                             |                       |
| <b>Address Line 4:</b>  | SAN DIEGO, CALIFORNIA 92101            |                       |
| <b>ATTORNEY DOCKET NUMBER:</b>  | 120416-001UT1                          |                       |
| <b>NAME OF SUBMITTER:</b>   | NOEL C. GILLESPIE                      |                       |
| <b>SIGNATURE:</b>   | /Noel C. Gillespie/                    |                       |
| <b>DATE SIGNED:</b>   | 03/31/2016                             |                       |
| <b>Total Attachments: 7</b>   |  |                       |
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## CANNAVEST CORP.

### CONFIDENTIALITY AND INVENTION ASSIGNMENT AGREEMENT

THIS CONFIDENTIALITY AND INVENTION ASSIGNMENT AGREEMENT (this "Agreement") is entered into effective July 9, 2015, by and between CannaVEST Corp., a Delaware corporation (the "Company"), and Greg Waterbury, an individual ("Employee").

In consideration of Employee's employment by the Company, and the compensation paid to Employee, Employee and the Company agree as follows:

#### I. Effective Date.

This Agreement shall be effective on the earlier of (1) the commencement of Employee's employment with the Company, or (2) the date on which any Confidential Information, as defined below, is first disclosed to Employee.

#### II. Definitions.

A. Confidential Information. "Confidential Information" shall mean all information, whether or not in writing, which is not generally known to the public or the Company's industry, which has or could have a commercial value, actual or potential, or other utility in the business of the Company, including, but not limited to: Trade Secrets, proprietary information, intellectual property, whether patented or not, sales and marketing procedures, formulas, patterns, compilations, programs, devices, methods, designs, technology, ideas, inventions, know-how, processes, training materials, data, techniques, improvements, customer lists, customer contacts, price lists, cost information, business plans, marketing plans, financial information, the names, skills, salaries and terms of compensation of other employees of, or consultants to, the Company, client identity, sales and pricing data, information concerning the Company's actual or anticipated business, new products, vendors, partners or research or development. Confidential Information also means any information that is received by or for the Company from the Company's customers, vendors, affiliates, counsel, any other third parties and which the Company is obligated to keep confidential. Confidential Information also means any written or electronic document, memorandum, report, correspondence, drawing or other material, or computer software or program, developed or prepared by Employee which incorporates, references or uses any information described above.

B. Trade Secrets. "Trade Secrets" shall mean all Confidential Information, including, but not limited to formulas, patterns, compilations, programs, devices, methods, techniques, relationships or processes, that: (1) derive independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (2) are the subject of efforts that are reasonable under the circumstances to maintain their secrecy.

C. Confidential Information shall not include information which, at the time of disclosure or observation, had been previously published or otherwise publicly disclosed; information which is published (or otherwise publicly disclosed) after disclosure or observation, unless such publication is a breach of this Agreement or is otherwise a violation of contractual, legal or fiduciary duties owed to the Company, which violation is known to Employee; or information which, subsequent to disclosure or observation, is obtained by Employee from a third person who is lawfully in possession of such information (which information is not acquired in violation of any contractual, legal, or fiduciary

obligation owed to the Company with respect to such information, and is known by Employee) and who is not required to refrain from disclosing such information to others.

### III. Protection of Confidential Information.

A. Duty of Trust and Confidentiality. While employed by the Company, Employee will have access to and become familiar with Confidential Information that is commercially valuable and critical to the Company's success. Employee agrees that his or her employment with the Company creates a duty of trust and confidentiality with respect to Confidential Information.

B. Nondisclosure of Confidential Information. Employee agrees that at all times, both during employment and after termination of the employment relationship, Employee shall keep Confidential Information in strictest confidence and trust, safeguard the use and dissemination of Confidential Information, and not disclose, use or induce or assist in the use or disclosure of any Confidential Information, without the Company's prior express written consent, except as is necessary in the ordinary course of performing Employee's duties. Employee shall not remove any Company property containing Confidential Information or deliver any such property to any person or entity outside of the Company, except as is necessary in the ordinary course of performing Employee's duties. Employee shall take reasonable measures to prevent unauthorized persons or entities from having access to, obtaining, or being furnished with Confidential Information.

C. Third Party Confidential Information. Employee acknowledges that the Company has received and in the future will receive from its customers, vendors, affiliates, counsel, or any other third parties their Confidential Information or proprietary information, subject to the Company's duty to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee agrees that he or she owes the Company and such third parties, both while employed by the Company and thereafter, a duty to hold all such Confidential Information or proprietary information in the strictest confidence and not disclose, use or induce or assist in the use or disclosure of any such Confidential Information, without the Company's prior express written consent, except as is necessary in the ordinary course of performing Employee's duties.

D. Notification of Inadvertent or Unauthorized Disclosure. Employee agrees that he or she shall promptly advise the Company of any inadvertent or unauthorized disclosure or use of Confidential Information.

E. Notification of Compelled Disclosure. In the event Employee believes he or she is legally compelled to disclose Confidential Information, Employee shall give reasonable notice to the Company prior to disclosure and shall assist the Company in taking legally permissible steps as are reasonable and necessary to protect the Confidential Information, including, but not limited to, execution by the receiving party of a nondisclosure agreement in a form acceptable to the Company.

F. Obligations on Termination of Employment. Upon termination of employment, whether voluntary or involuntary, Employee shall not take nor allow a third party to take, and shall deliver to the Company, all original copies and all reproductions of Confidential Information, or property of any nature belonging to the Company or pertaining to his or her work with the Company. Employee agrees to certify to the Company, under penalty of perjury, to complying with his or her obligations upon termination of employment.

G. Notification to New Employer. Employee hereby consents that upon termination of his or her employment, the Company may notify any new employer of Employee's rights and obligations under this Agreement.

#### IV. Assignment.

A. Assignment of Inventions. Employee agrees to and hereby irrevocably and exclusively grants, conveys, assigns, transfers and sets over to the Company in perpetuity, without further consideration, Employee's entire right, title and interest (throughout the United States and in all other countries or jurisdictions), free and clear of all liens and encumbrances, in and to all Inventions. Such assignment and transfer to the Company shall be continuous during Employee's employment as of the relevant time of development of each such Invention. The Company may, in its sole discretion, agree to provide consideration for certain Inventions through a written agreement between the Company and the undersigned that specifically provides for such consideration; in all other cases, no consideration shall be paid. The Inventions shall be the sole property of the Company, whether or not copyrightable or patentable or in a commercial stage of development. In addition, Employee agrees to maintain adequate and current written records on the development of all Inventions, which shall also remain the sole property of the Company.

B. Inventions. "Inventions" collectively means any and all ideas, concepts, inventions, discoveries, developments, know-how, structures, designs, formulas, algorithms, methods, products, processes, systems and technologies in any stage of development that are conceived, developed or reduced to practice by Employee alone or with others; any and all Trade Secrets; any and all patents, patents pending, patent applications, copyrights, moral rights, trademarks and any other intellectual property rights therein; and any and all improvements, modifications, derivative works from, other rights in and claims related to any of the foregoing under the laws of any jurisdiction.

C. Moral Rights. To the extent allowed by law, this assignment of Inventions includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively "**Moral Rights**"). To the extent Employee retains any such Moral Rights under applicable law, Employee hereby ratifies and consents to any action that may be taken with respect to such Moral Rights by or authorized by the Company and agree not to assert any Moral Rights with respect thereto. Employee will confirm any such ratifications, consents and agreements from time to time as requested by the Company.

D. License for Other Inventions. If, in the course of Employee's employment with the Company, Employee incorporates into Company property an invention owned by Employee or in which Employee has an interest, the Company is hereby granted a nonexclusive, royalty-free, irrevocable, perpetual, transferable and sub-licensable license throughout the world to make, use, import, sell, copy, distribute, display, perform (whether or not publicly) such invention as part of and in connection with the Company property.

E. Assist With Registration. In the event any Invention shall be deemed by the Company to be copyrightable or patentable or otherwise registerable, Employee will assist the Company (at the Company's expense) in obtaining and maintaining letters patent or other applicable registrations and in vesting the Company with full title. Should the Company be unable to secure Employee's signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright, or other right or protection relating to any Invention, due to Employee's incapacity or any other cause, Employee hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as Employee's agent and attorney-in-fact to do all lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protection with the same force and effect as if executed and delivered by Employee.

F. Disclosure. Employee agrees to disclose promptly to the Company all Inventions and relevant records. Employee further agrees to promptly disclose to the Company any idea that Employee does not believe to be an Invention, but is conceived, developed, or reduced to practice by Employee (alone or with others) while Employee is employed by the Company and/or during the one-year period following termination of Employee's employment. Employee will disclose the idea, along with all information and records pertaining to the idea, and the Company will examine the disclosure in confidence to determine if in fact it is an Invention subject to this Agreement.

G. Post-Termination Period. Employee agrees that any idea, invention, writing, discovery, patent, copyright, or trademark or similar item, or improvement shall be presumed to be an Invention if it is conceived, developed, used, sold, exploited, or reduced to practice by Employee or with Employee's aid within one (1) year after Employee's termination of employment with the Company. Employee can rebut the above presumption if Employee proves that the idea, invention, writing, discovery, patent, copyright, or trademark or similar item, or improvement is not an Invention covered by this Agreement.

H. Works for Hire. Employee acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of Employee's employment and which are protectable by copyright are "works made for hire," pursuant to United States Copyright Act (17 U.S.C., Section 101).

I. Additional Activities. Employee agrees that during the period of employment with the Company, Employee will not, without the Company's express written consent, engage in any employment or business activity which is competitive with, or would otherwise conflict with, Employee's employment with the Company. Employee agrees further that for the period of employment with the Company, Employee will not (i) solicit or induce, or attempt to solicit or induce, any employee of the Company to leave the employ of the Company, (ii) other than on behalf of the Company, induce or attempt to induce any other person or entity to terminate a relationship with the Company, or interfere with business relationships (whether formed before or after the date of this Agreement) between the Company and contractors, customers, suppliers, partners, members or investors of the Company or (iii) solicit or attempt to solicit the business of any customer, supplier, service provider, vendor or distributor of the Company which, at the time of termination or one (1) year immediately prior thereto, was doing business with the Company, or listed on the Company's customer, supplier, service provider, vendor or distributor list, if the result of the solicitation of business would be any reduction in the business which would have been transacted between the Company and such customer, supplier, service provider, vendor or distributor.

## V. Breach

A. Breach of this Agreement. The Company takes violations of this Agreement and its policy to preserve Confidential Information very seriously. Any improper use or disclosure of the Company's Confidential Information, or that of the Company's customers, vendors, affiliates, counsel, or any other third parties, will subject Employee to disciplinary action, up to and including termination, and legal action for damages.

B. Attorneys' Fees. In the event the Company or Employee commences any action or proceeding by reason of any breach or claimed breach in the performance of this Agreement, or to seek a judicial declaration of its rights hereunder, the prevailing party in such action shall be entitled to recover its reasonable attorneys' fees and costs associated with such action.

VI. Miscellaneous Provisions.

A. At-Will Employment. Nothing in this Agreement shall modify or alter the at-will employment relationship between the Company and Employee.

B. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Employee hereby expressly consents to the personal jurisdiction of the state and federal courts located in San Diego County, California for any lawsuit filed there against him or her by the Company arising from or related to this Agreement.

C. Enforceability and Severability. If a court or an arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, shall not be affected.

D. Amendments. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by Employee and the Chief Executive Officer or other authorized officer of the Company. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement.

E. Advice of Counsel. The parties acknowledge that they have read this Agreement, understand its contents and understand its legal effects and binding nature. The parties further acknowledge that they are acting voluntarily and of their own will in executing this Agreement, after having had the opportunity to secure the advice of counsel.

F. Ownership of Confidential Information. Confidential Information shall remain the Company's sole and exclusive property. Employee shall return to the Company, upon the earlier of the Company's request or termination of Employee's employment, all documents, memoranda, disks and other materials (including all computer generated materials), samples and equipment and all other property of the Company, together with all copies, replicas or duplicates thereof, comprising or otherwise relating to the Company's business or Confidential Information (or that of its customers).

G. Waiver. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the party to be bound.

H. Successors and Assigns. Employee acknowledges and agrees that the Company's rights under this Agreement shall inure to the benefit of the Company's successors and assigns. The Company may assign this Agreement to any successor in interest, including by virtue of any sale of stock, assets, merger, or other reorganization resulting in a change in the ownership or voting control of the Company, in the Company's sole and absolute discretion.

*[The remainder of this page intentionally left blank]*

The provisions of this Agreement shall survive the termination of the employment relationship between Company and Employee.

CANNAVEST CORP.

By: Joseph Dowling  
Name: JOSEPH DOWLING  
Its: CFO  
Date: August 21, 2015

EMPLOYEE

By: P. Grey Waterbury  
Name: Grey Waterbury  
Date: 21 AUG 2015



SCHEDULE A

EMPLOYEE'S DISCLOSURE

1. Proprietary Information. Except as set forth below, I acknowledge that at this time I know nothing about the business or proprietary information of CannaVEST Corp., a Delaware corporation (the "Company"), other than information I have learned from the Company in the course of being hired or have learned in connection with the performance of my duties at the Company:

n/a

2. Prior Inventions. Except as set forth below, there are no ideas, concepts, inventions, discoveries, developments, know-how, structures, designs, formulas, algorithms, methods, products, processes, systems and technologies in any stage of development that are conceived, developed or reduced to practice by me alone or with others; any patents, patents pending, copyrights, moral rights, trademarks and any other intellectual property rights therein; or any improvements, modifications, derivative works from, other rights in and claims related to any of the foregoing under the laws of any jurisdiction, that I wish to exclude from the operation of this Agreement:

n/a

3. Prior Agreements. Except as set forth below, I am aware of no prior agreements between me and any other person or entity concerning proprietary information or inventions (attach copies of all agreements in your possession unless you are prohibited from doing so, in which case so indicate):

n/a

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Date: 21 Aug 2015

Employee Name: Greg Waterbury

Employee Signature: P. Aug Waterbury