

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT3810770

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	ASSIGNMENT	
CONVEYING PARTY DATA		
	Name	Execution Date
	JOSHUA A. HARTSEL	07/23/2013
RECEIVING PARTY DATA		
Name:	CANNAVEST CORP.	
Street Address:	2688 SOUTH RAINBOW BLVD.	
Internal Address:	SUITE B	
City:	LAS VEGAS	
State/Country:	NEVADA	
Postal Code:	89146	
PROPERTY NUMBERS Total: 1		
	Property Type	Number
	Application Number:	14791184
CORRESPONDENCE DATA		
Fax Number:		
<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>		
Email:	docketing@procopio.com	
Correspondent Name:	PROCOPIO CORY HARGREAVES & SAVITCH LLP	
Address Line 1:	525 B STREET	
Address Line 2:	SUITE 2200	
Address Line 4:	SAN DIEGO, CALIFORNIA 92101	
ATTORNEY DOCKET NUMBER:	120416-001UT1	
NAME OF SUBMITTER:	NOEL C. GILLESPIE	
SIGNATURE:	/Noel C. Gillespie/	
DATE SIGNED:	03/31/2016	
Total Attachments: 17		
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July 23, 2013

Dear Joshua:

On behalf of CannaVest Corp. (the "Company"), I am pleased to confirm your employment pursuant to the terms and conditions of this Letter Agreement (this "Agreement"), effective on July 23, 2013 and continuing thereafter until this Agreement is terminated by either you or the Company.

You will be based out of San Diego, California; *provided, however*, that the Company may from time to time require you to travel temporarily to other locations in connection with the Company's business. You will be responsible for the development of the Company's product offerings, and all technical and strategic components thereof, and such other duties and responsibilities that may reasonably be requested of you by the Company's President. You will report to, and serve at the pleasure of, the Board of Directors (the "Board").

1. Full-Time Best Efforts; Non-Compete. You will be required to devote your full professional time and attention to the performance of your obligations under this Agreement, and will at all times faithfully, industriously and to the best of your ability, experience and talent, perform all of the duties and responsibilities of your position. In furtherance of, and not in limitation of the foregoing, during the term of this Agreement, (a) you further agree that the Company will be entitled to all of the benefits and profits arising from or incident to all such work, services and advice provided to the Company (except as otherwise may be provided in the Confidentiality Agreement, as hereinafter defined), and (b) you shall not engage or participate in any business that is in competition in any manner whatsoever with the current or anticipated business of the Company.

2. Compensation; Expenses.

(a) Base Salary; Vacation. In this exempt position, you will earn a starting salary of [REDACTED] per year ("Salary"), subject to applicable tax withholding. Your Salary will be payable bi-monthly on the first and fifteenth days of each month. You will be entitled to all benefits made available to the other employees of the Company with similar job titles and functions, when and if the Company establishes a benefit plan. You will be entitled to one (1) week paid vacation per year in year one, followed by two (2) weeks paid vacation beginning in year 2.

(b) Expenses. The Company will reimburse you for all reasonable out-of-pocket business expenses incurred on behalf of the Company in the performance of your duties hereunder, in accordance with the Company's policies in effect, as may be modified from time to time. To obtain reimbursement, expenses shall be submitted promptly with appropriate supporting documentation therefor, in accordance with the Company's reimbursement policies. Any item of reimbursement in excess of [REDACTED] shall require pre-approval by the Company's President.

(c) Stock Issuance. In addition to your Salary, you will have the right to earn up to a maximum of [REDACTED] shares of common stock of the Company (the "Stock"), as follows: you will be issued [REDACTED] shares of the Stock at the end of each calendar quarter of your continuous service to the Company, commencing October 1, 2013, such that if you remain engaged by the Company at the end of two (2) years, you will have been issued a total of [REDACTED] shares of the Stock. The Stock will be valued on the day of issuance based on the fair market value of the Company's common stock at such time, and no federal, state, local income tax, payroll or employment taxes of any kind (including, without limitation, social security taxes) shall be withheld or paid by the Company on your behalf, and such taxes shall remain your sole responsibility.

(d) Incentive Compensation. You also will be eligible to earn a cash incentive bonus ("Bonus") equal to [REDACTED] of the Company's net profits attributable to any Proposed Product (defined below). The Bonus, if any, is payable during the term of your employment with the Company; provided, that if you are terminated other than for Cause (as defined in Section 6 below) payment of the Bonus shall continue for a period of twelve (12) months after your termination. The Bonus shall be subject to customary withholding taxes and any other employment taxes as are commonly required to be collected or withheld by the Company. For purposes of this Agreement, "Proposed Product" shall mean, and be strictly limited to, any new product developed by you during the term of this Agreement that has not been previously considered for development by the Company or any of its subsidiary companies, and that has been approved by the Company in writing as a Proposed Product for purposes of this Section 2(d) (i.e., the Company reserves the right to determine that a product proposed by you does not constitute a Proposed Product for purposes of your eligibility for the Bonus). All Proposed Products shall be accompanied by a budget prepared by you for development.

(e) Purchase of Equipment. It is agreed and understood that all of the lab equipment you will bring to your employment and use in your employment with the Company will be purchased by the Company from you for the sum of [REDACTED] payable in equal monthly increments of [REDACTED] subject to the Company's receipt of an inventory list and confirmation of the equipment. You specifically represent and warrant that you own all right, title and interest in and to such equipment, free and clear of any liens or other encumbrances. In the event of a termination of this Agreement prior to the payment in full for the equipment under the payment schedule above, the Company will continue to make such payment obligations post-termination until the equipment is paid in full.

(f) Existing Lease Payments. The Company will reimburse your rental obligations on your existing lab space in the amount of up to [REDACTED] per month for a total period not to exceed 20 months. It is understood that you will promptly give notice to the landlord of the termination of the lease, and cooperate to facilitate a prompt re-letting of the premises in order to cease all rent obligations under the lease. It is acknowledged and agreed that the Company assumes no obligations under the lease, and this arrangement is strictly to reimburse for rent obligations not to exceed [REDACTED] per month, and [REDACTED] in the aggregate, such payments conditioned upon your continued employment by the Company.

3. Employee Benefits. You will be covered by workers' compensation insurance and State Disability Insurance, as required by state law. When the Company determines to implement medical or other health insurance coverage, you will be covered to the same extent as the other

employees of the Company. At this point, the Company has no immediate plans to implement such coverage.

4. Employment Conditions. Your employment with the Company on the terms and conditions set forth herein is contingent upon your execution and delivery of the Company's Proprietary Information and Inventions Agreement, a copy of which is attached hereto as Attachment A (the "Confidentiality Agreement").

5. No Conflicting Obligations. You understand and agree that by performing your duties, you represent to the Company that your performance will not breach any other agreement to which you are a party and that you have not, and will not during the term of your employment with the Company, enter into any oral or written agreement in conflict with any of the provisions of this Agreement or the Company's policies. You acknowledge that you have not, and agree that you are not to bring with you to the Company, or use or disclose to any person associated with the Company, any confidential or proprietary information belonging to any former employer or other person or entity with respect to which you owe an obligation of confidentiality under any agreement or otherwise. The Company does not need and will not use such information and we will assist you in any way possible to preserve and protect the confidentiality of proprietary information belonging to third parties.

6. At-Will Employment. You shall be employed at-will by the Company commencing on the Effective Date and continuing thereafter until terminated as provided in this Section 6 (the "Term"). The Company may terminate your employment immediately upon written notice thereof for Cause (as defined below). The Company may also terminate your employment for any reason, or no reason at all, upon ninety (90) days advance written notice, with your termination effective on the earlier to occur of (a) the 90th day after delivery of the notice of termination, or (b) your voluntary resignation, abandonment of your position or failure to perform the duties of your employment. For purposes of this Agreement, the Company shall have "Cause" to terminate your service under this Agreement on any of the following grounds: (i) the failure to use your good faith efforts to perform in all material respects such duties as are contemplated by this Agreement or any other lawful direction of the President, CEO or the Board, at all times during the Term, including any period of time between the date of notice of termination without Cause by the Company and the date of termination; (ii) a material breach by you of this Agreement, the Confidentiality Agreement or any policies of the Company or its subsidiaries or affiliates applicable to you; (iii) any act or omission by you constituting fraud or embezzlement, or a violation of your duties of loyalty to the Company and its subsidiaries and affiliates under applicable state law; (iv) your gross negligence in the performance of your duties; or (v) your conviction of, or plea of guilty or *nolo contendere* to, a felony, or of a crime other than misdemeanor traffic violations.

7. Miscellaneous.

(a) Governing Law. This Agreement will be governed by the laws of California, without regard to its conflict of laws provisions.

(b) Entire Agreement. This Agreement and Attachment A hereto, sets forth the terms of your employment with the Company and constitutes the entire agreement between and among the parties hereto with respect to the subject matter hereof, and supersedes in their entirety all prior negotiations and agreements with respect to such subject matter, whether written or oral.

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(c) Advice of Counsel; Construction. This Agreement has been drafted by legal counsel to the Company, but you acknowledge your understanding that you have been advised to consult with an attorney prior to executing this Agreement (and by your execution hereof, you acknowledge that you have so consulted with an attorney of your choice or has knowingly and voluntarily waived such consultation), and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement.

[Signature Page Follows]

9A 27

To indicate your acceptance of the terms and conditions of your employment with the Company as set forth herein, please sign and date this Agreement in the space provided below and promptly return it to me, along with a signed and dated original copy of the Confidentiality Agreement.

Very truly yours,

CANNA VEST CORP.

By: 
Name: Michael Mona, Jr.
Title: President

ACCEPTED AND AGREED:


Joshua Hartsel, Ph.D.

Attachment A

Proprietary Information and Inventions Agreement

[Attached]

94





EMPLOYEE PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

In consideration of my Employment with, or continued Employment by, CannaVest Corp. (the "Company"), and the compensation now and hereafter paid to me, I hereby agree as follows:

1. Nondisclosure.

a) **Employment Creates a Relationship of Confidence.** I recognize that the Company possesses a body of existing technology and intellectual property rights and is engaged in a continuous program of research, development and production with respect to its business (present and future). I further understand that: (i) as part of my Employment by the Company, I may be expected to make new contributions and inventions of value to the Company, and (ii) my Employment creates a relationship of confidence and trust between me and the Company and that my position places me in a unique position of access to the proprietary technology, trade secrets and research, development and business information (a) applicable to the business of the Company; or (b) applicable to the business of any client, partner or customer of the Company, which may be made known to me by the Company or by any client, partner or customer of the Company, or learned by me during the period of my Employment. As used herein, the term "Employment" shall include, except as expressly otherwise herein set forth, any engagement, or consulting relationship between myself and the Company, if applicable, which may follow the termination of my engagement with, or status as an employee of, the Company or which may precede my engagement with, or status as an employee of, the Company.

b) **Recognition of the Company's Rights; Nondisclosure.** At all times during my Employment and thereafter, I will hold in strictest confidence and will not disclose, use, or publish any of the Company's Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with my work for the Company, or unless the President or Chief Executive Officer of the Company expressly authorizes such in writing. I will obtain the Company's written approval before publishing or submitting for publication any material (written, verbal, or otherwise) that relates to my work at Company, prior to or from and after the date hereof, and/or incorporates any Proprietary Information. I hereby assign to the Company any rights I may have or acquire in such Proprietary Information, and recognize that all Proprietary Information shall be the sole property of the Company and its assigns, subject to, and in accordance with, the terms and conditions herein set forth.

c) **Proprietary Information.** The term "Proprietary Information" shall mean any and all confidential and/or proprietary knowledge, data or information of the Company. By way of illustration but not limitation, "Proprietary Information" includes: (i) copyrights, trade secrets, inventions, ideas, processes, formulas, algorithms, other works of authorship, improvements, discoveries, information relating to products, processes, designs, drawings, test data, methods, samples, and techniques, (hereinafter collectively referred to as "Inventions"); and (ii) information regarding plans for research, development, new products, marketing and selling, business plans, budgets and

unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of other employees of or consultants to the Company, and (iv) and such other information that (a) derives independent economic value, actual or potential, for not being generally known to the public or to other persons, or (b) is the subject of efforts to maintain its secrecy, all of which is, previously, presently, or subsequently disclosed to me during the period of Employment with the Company. Notwithstanding the foregoing, it is understood that, at all such times, I am free to use information which is generally known in the trade or industry, which is not gained as result of a breach of this Proprietary Information and Inventions Agreement (this "Agreement"), and my own, skill, knowledge, know-how and experience to whatever extent and in whichever way I wish.

d) **Third Party Information.** I understand, in addition, that the Company has received and in the future may receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of my Employment and thereafter, I will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than Company personnel who need to know such information in connection with their work for the Company) or use, except in connection with my work for the Company, Third Party Information unless expressly authorized by an officer of the Company in writing.

e) **No Improper Use of Information of Prior Employers and Others.** During my Employment with the Company I will not improperly use or disclose any confidential information, trade secrets, equipment, supplies, or facilities, if any, of any former

employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless consented to in writing by that former employer or person. I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company.

2. Assignment of Inventions.

a) **Proprietary Rights.** The term "Proprietary Rights" shall mean all intellectual property rights throughout the world.

b) **Prior Inventions.** Inventions, if any, patented or unpatented, which I made prior to the commencement of my Employment with the Company are excluded from the scope of this Agreement. To preclude any possible uncertainty, I have set forth on Appendix B (Previous Inventions) attached hereto a complete list of all Inventions that I have, alone or jointly with others, conceived, developed or reduced to practice or caused to be conceived, developed or reduced to practice prior to the commencement of my Employment with the Company, that I consider to be my property or the property of third parties and that I wish to have excluded from the scope of this Agreement (collectively referred to as "Prior Inventions"). If disclosure of any such Prior Invention would cause me to violate any prior confidentiality agreement, I understand that I am not to list such Prior Inventions in Appendix B but am only to disclose a cursory name for each such invention, a listing of the party(ies) to whom it belongs and the fact that full disclosure as to such inventions has not

been made for that reason. A space is provided on Appendix B for such purpose. If no such disclosure is attached, I represent that there are no Prior Inventions. If, in the course of my Employment with the Company, any part of the services or Inventions or information provided to the Company is based on, incorporates, or is an improvement or derivative of, or cannot be reasonably and fully made, used, reproduced, distributed and otherwise exploited without using Prior Inventions or violating technology or intellectual property rights owned by or licensed to me and not assigned hereunder, I hereby grant to the Company and its successors a perpetual, irrevocable, worldwide royalty-free, non-exclusive, sublicensable right and license to exploit and exercise all such technology and intellectual property rights in support of the Company's exercise or exploitation of the Inventions, Prior Inventions, other work or information performed or provided by me to the Company, or any assigned rights (including any modifications, improvements and derivatives of any of them). Notwithstanding the foregoing, I agree that I will not incorporate, or permit to be incorporated, Prior Inventions or intellectual property rights owned by or licensed to me and not assigned hereunder in any Company Invention without the prior written consent of the President of the Company.

e) Assignment of Inventions. Subject to Section 2(d), and Section 2(f) hereof, I hereby assign, and agree to assign in the future (when any such Inventions or Proprietary Rights are first reduced to practice or first fixed in a tangible medium, as applicable) to the Company all of my right, title and interest in and to any and all Inventions (and all Proprietary Rights with respect thereto) whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by me, either alone or jointly with others, during the period of my Employment

with the Company, except as provided for in Section 2(d) below. Inventions assigned to the Company, or to a third party as directed by the Company pursuant to this Section 2, are hereinafter referred to as "Company Inventions."

d) Nonassignable Inventions. This Agreement does not apply to an Invention which qualifies fully as a nonassignable Invention under Section 2870 of the California Labor Code (hereinafter "Section 2870"). I have reviewed the notification on Appendix A attached hereto (Limited Exclusion Notification) and agree that my signature acknowledges receipt of the notification. The assignment of Inventions shall not apply to any original works of authorship that I develop entirely on my own time without using the Company's equipment, supplies, facilities, or trade secret information.

e) Obligation to Keep the Company Informed. I shall promptly disclose any outside activities or interests, including any ownership or participation in the development of Prior Inventions, that conflict or may conflict with the interests of the Company. I understand that I am required to make such disclosures promptly if the activity or interest is related, either directly or indirectly, to (i) an area of development, service, product or product line of the Company, (ii) a development or research methodology or process of the Company or (iii) any activity that I may be involved with on behalf of the Company. In furtherance of, and not in limitation of the foregoing, during the period of my Employment, I will promptly disclose to the Company fully and in writing all Inventions authored, conceived or reduced to practice by me, either alone or jointly with others. In addition, I will promptly disclose to the Company all patent applications filed by me or on my behalf within 12 months after termination of Employment, except to the extent such

disclosure would violate a duty of confidentiality to a future employer or any third party. At the time of each such disclosure, I will advise the Company in writing of any Inventions that I believe fully qualify for protection under Section 2870; and I will at that time provide to the Company in writing all reasonable evidence necessary to substantiate that belief. The Company will keep in confidence and will not use for any purpose or disclose to third parties without my consent any confidential information disclosed in writing to the Company pursuant to this Agreement relating to Inventions that qualify fully for protection under the provisions of Section 2870. I will preserve the confidentiality of any Invention that does not fully qualify for protection under Section 2870.

f) Government or Third Party.

I also agree to assign all my right, title and interest in and to any particular Company Invention to a third party, including without limitation the United States, as directed by the Company.

g) Works for Hire.

I acknowledge that all original works of authorship which are made by me (solely or jointly with others) within the scope of my Employment and which are protectable by copyright are "works made for hire," pursuant to United States Copyright Act (17 U.S.C., Section 101), except as provided for in Section 2(d) above.

h) Enforcement of Proprietary Rights. I will assist the Company in every reasonable and proper way to obtain, and from time to time enforce, United States and foreign Proprietary Rights relating to Company Inventions in any and all countries. To that end I will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such

Proprietary Rights and the assignment thereof. In addition, I will execute, verify and deliver assignments of such Proprietary Rights to the Company or its designee. My obligation to assist the Company with respect to Proprietary Rights relating to such Company Inventions in any and all countries shall continue beyond the termination of my Employment, but the Company shall compensate me at a reasonable rate after my termination for the time actually spent by me at the Company's request on such assistance.

In the event the Company is unable for any reason, after reasonable effort, to secure my signature on any document needed in connection with the actions specified in the preceding paragraph, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act for and in my behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by me. I hereby waive and quitclaim to the Company any and all claims, of any nature whatsoever, which I now or may hereafter have for infringement of any Proprietary Rights assigned or assignable hereunder to the Company.

3. Records. I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Proprietary Information developed by me and all Inventions made by me during the period of my Employment with the Company, which records shall be available to and remain the sole property of the Company at all times.

4. [reserved].

5. No Conflicting Obligation. I represent that my performance of all the terms of this Agreement and that my Employment

by the Company does not and will not breach or constitute an event of default under any agreement (i) obligating me to keep in confidence proprietary information acquired by me in confidence or in trust prior to, or at any point throughout, my Employment by the Company, (ii) obligating me to assign to or protect for the benefit of any third party any proprietary information or any improvement, invention, formulae, process, program, technique, know-how or data, or (iii) that is designed in any way to limit my employment or activity in any business in which I may compete, directly or indirectly, with any other business, or which might by application have such an effect. I have not entered into, and I agree that I will not enter into, any agreement (either written or oral) in conflict herewith.

6. Ownership; Return of Company Documents. All Proprietary Information, and all documents, data, records, apparatus, equipment, sequences, components, programs and other physical property, whether or not pertaining to Proprietary Information, furnished or made available to me by the Company or produced by myself or others in connection with my Employment shall be and remain the sole and exclusive property of the Company, and shall be returned promptly to the Company as and when requested by the Company. In furtherance of, and not in limitation of the foregoing, when my Employment with the Company is terminated, for any reason or for no reason, I will deliver to the Company any and all drawings, memoranda, specifications, devices, formulas, and documents, together with all copies, summaries and extracts thereof, and any other material containing or disclosing any Company Inventions, Third Party Information or Proprietary Information of the Company, in addition to any physical property that is owned by the Company. I further agree that any property situated on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to

inspection by Company personnel at any time with or without notice. In the event of the termination of my employment with the Company, I covenant and agree to execute and deliver to the Company, upon such termination, a Termination Certificate in substantially the form attached hereto as Appendix C.

7. Legal and Equitable Remedies. Because my services to the Company are personal and unique, and because I may have access to and become acquainted with the Proprietary Information of the Company, the Company would not have an adequate remedy at law for money damages in the event that this Agreement is not fully performed in accordance with its terms. The Company shall therefore have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

8. Notices. Any notices required or permitted hereunder shall be given to the appropriate party personally (and, in the case of personal delivery to the Company, to the Chief Executive Officer or the President), or delivered to the address specified below or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery, upon delivery to the appropriate address or if sent by certified or registered mail, three (3) days after the date of mailing.

9. Notification of New Employer. In the event that my Employment with the Company is terminated, I will inform any and all subsequent employers about my continuing obligations hereunder, and I hereby consent to the notification of any new employer, or any other person or enterprise engaging my services, of my rights and obligations under this Agreement.

10. General Provisions.

a) **Governing Law; Consent to Personal Jurisdiction.** This Agreement will be governed by and construed according to the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in San Diego County, California for any lawsuit filed there against me by the Company arising from or related to this Agreement.

b) **Severability.** In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, (i) the remaining terms and provisions hereof shall be unimpaired and shall remain in full force and effect, and (ii) the invalid or unenforceable provision or term shall be replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term or provision, and, if the foregoing provision of this clause (ii) is not permitted pursuant to applicable law, then (iii) this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

c) **Successors and Assigns.** This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns.

d) **Survival.** The provisions of this Agreement shall survive the termination of my Employment and the assignment of this

Agreement by the Company to any successor in interest or other assignee.

e) **Employment Relationship.** I agree and understand that nothing in this Agreement shall confer any right with respect to continuation of my Employment with the Company, nor shall it interfere in any way with my right or the Company's right to terminate my Employment at any time, with or without cause.

f) **Waiver.** No waiver by the Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement.

g) **Attorneys Fees.** In the event any party shall maintain or commence any action, proceeding, or motion against any other party to enforce this Agreement or any provision hereof, the prevailing party therein shall be entitled to recover its actual attorneys' fees and costs therein incurred.

h) **Entire Agreement; Modification.** The obligations pursuant to Section 1 and Section 2 of this Agreement shall apply to any time during which I was previously employed or engaged, or am in the future employed or engaged, by the Company or any subsidiary thereof as a consultant or employee if no other agreement governs nondisclosure and assignment of inventions during such period. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior discussions between us. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged. Any subsequent change or changes in my duties, salary or



compensation will not affect the validity or scope of this Agreement. This Agreement shall be effective as of the first day of my Employment with the Company.

I have read this Proprietary Information and Inventions Agreement carefully and understand its terms. I have fully completed Appendix B to this Agreement.

Dated: July 23 2013

Signature: Josh Hartsel

Employee Name: Joshua Hartsel, Ph.D.

Employee Address: 


Accepted and Agreed To:

CannaVest Corp.

By: Michael Mona, Jr.

Name: Michael Mona, Jr.

Title: President

9H

Appendix A

LIMITED EXCLUSION NOTIFICATION

This is to notify you in accordance with Section 2872 of the California Labor Code that the foregoing Agreement between you and the Company does not require you to assign or offer to assign to the Company any invention that you developed entirely on your own time without using the Company's equipment, supplies, facilities or trade secret information except for those inventions that either:

- (1) Relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company; or
- (2) Result from any work performed by you for the Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is unenforceable.

This limited exclusion does not apply to any patent or invention covered by a contract between the Company and the United States or any of its agencies requiring full title to such patent or invention to be in the United States.

I ACKNOWLEDGE RECEIPT OF A COPY OF THIS NOTIFICATION.

Signature: Jeh Hartoel

Name: Jeshua Hartoel

Date: 7/24/2012

Witnessed by:

Richard Canote
(Printed Name of Representative)

Date: 7/24/13

Appendix B

TO: CannaVest Corp.

FROM: _____

DATE: _____

SUBJECT: Previous Inventions

1. Except as listed in Section 2 below, the following is a complete list of all Prior Inventions (as defined in Section 2(b) of the Proprietary Information and Inventions Agreement to which this Appendix B is attached) (the "Agreement") or improvements thereto, relevant to the subject matter of my Employment (as defined in the Agreement) with CannaVest Corp. (the "Company") that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

☐ No inventions or improvements.

☐ See below:

1. Joshua Hartsel shares royalties for patents filed with Virginia Tech and the Bill and Melinda Gates Foundation for his discoveries of new species-selective mosquitocides. These inventions preceded this negotiation.
2. Joshua Hartsel has collaborations with UCI developing techniques to identify insecticides and has independently submitted a grant application to pursue these interests prior to the agreement.
3. Joshua Hartsel through Delta-9 Technologies has a prior collaboration with the University of Chicago zoology department and MoBio investigating the microbiome of cannabis roots, leaves, and soil. These and future results arising from this collaboration are not affiliated with Cannavest.
4. The use of Analytical Chemistry as it is applied to the analysis of cannabinoids, terpenes, and pesticides in cannabis-related products has previously been developed by Joshua Hartsel. Gradient and isocratic solvent conditions have been optimized for the separation of cannabinoids using silica gel chromatography prior to this agreement. Chromatographic techniques are the intellectual property of Joshua Hartsel and will be shared with Cannavest initiated at the date of the final contract.
5. Mold, Mildew, Yeast, and bacteria pathogen analysis using 3M petri-film techniques for cannabis-related products was developed by Joshua Hartsel prior to this agreement and will be shared with Cannavest at their convenience.

☐ Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to Prior Inventions or improvements generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Invention or Improvement	Party(ies)	Relationship
1.	_____ _____	_____	
2.	_____ _____	_____	
3.	_____ _____	_____	

☐ Additional sheets attached.

Company Initials: _____

Appendix C

**Termination Certificate Concerning
Company Proprietary Information**

This is to certify that the undersigned ("Employee") has, in accordance with that certain Employee Proprietary Information and Inventions Assignment Agreement executed by me (the "Agreement"), returned all personal property of CannaVest Corp. and/or its affiliates, (the "Company"), including, without limitation, all source code listings, books, manuals, records, models, drawings, reports, notes, contracts, lists, blueprints, and other documents and materials, Proprietary Information, and equipment furnished to or prepared by me in the course of or incident to my Employment (as defined in the Agreement) with the Company, and that I did not make or distribute any copies of any of the foregoing.

I further certify that I have reviewed the Agreement, and that I have complied with, and shall continue to comply with, all of its terms and provisions therein contained, including, without limitation, (i) the reporting of any idea, process, invention, technology, writing, program, design, formula, discovery, patent, copyright, or trademark, or any improvement, rights, or claims related to the foregoing, conceived or developed by me and covered by the Agreement and (ii) the preservation as confidential of all Proprietary Information pertaining to the Company. This certificate in no way limits my responsibilities or the Company's rights under the Agreement.

Date: _____

EMPLOYEE:

Printed Name

Signature/Date

Address: _____
