

CONSULTING AGREEMENT

20TH

This Consulting Agreement (the "Agreement") is dated December 20, 2019 and effective as of January 2, 2020 (the "Effective Date"), between MOUNTAIN VALLEY MD INC. (the "Corporation"), a corporation formed under the laws of the Province of Ontario, and [SMARTEK INTERNATIONAL, LLC] a corporation formed under the laws of the State of New Jersey (the "Supplier"), for the services of Michael Farber (the "Consultant"), an individual residing in the [redacted] inter state]. [PARTY INFORMATION]

WHEREAS:

- A. The Corporation is a private corporation formed under the laws of the Province of Ontario, operating or intending to operate, as a health and wellness organization, including through the use of cannabis derivatives, focused on the creation of a variety of products in categories including but not limited to pain management, weight loss, energy, focus, sleep, anxiety and libido, including the deployment of its delivery technology across pharmaceutical product applications, and involving operations in the areas of cultivation, research and development, production, manufacturing and marketing through strategic acquisitions and partnerships, for the purposes of generating a market-leading global portfolio of high quality, vertically-integrated, sustainable cannabis and non-cannabis assets (the "Business");
- B. The Corporation has entered into an Amalgamation Agreement dated June 28, 2019 with a reporting issuer and its wholly owned subsidiary for the purposes of completing a going public transaction (the "Liquidity Event"), following the completion of which the Purchaser would become a wholly owned subsidiary of a publicly traded corporation formed under the laws of the Province of British Columbia (the "Parent") whose common shares would be listed for trading on the Canadian Securities Exchange (the "CSE");
- C. The Supplier is a private corporation formed under the laws of the State of New Jersey and is in the business of, *inter alia*, developing, manufacturing and licensing desiccated liposomes; [NTD: Is Smartek going to stay a NJ company?]
- D. The Consultant is a director and officer and holds 50% of the issued and outstanding shares of the Supplier;
- E. The Corporation, the Supplier and the Consultant, together with Henry Weitzman, the other director, owner and shareholder of the Supplier, entered into an Intellectual Property Asset Purchase Agreement (the "IP Agreement") on or about the date hereof, wherein the foregoing parties agreed that the Corporation would engage the Consultant to provide services in connection with the Products and the Smartek Parties IP Assets (each as defined in the IP Agreement) and otherwise as may be required by the Corporation from time to time;
- F. The Corporation wishes to engage the Supplier for the services of the Consultant, and the Supplier and Consultant each hereby agree to be engaged, to provide the Services (as defined below) to the Corporation as of the date of this Agreement including but not limited to for the purposes of providing support, expertise and knowledge with respect to the transfer and further development of the Smartek Parties IP Assets as and when may be required; and
- G. Both the Corporation and the Consultant wish to formally agree as to the terms and conditions of the engagement of the Consultant throughout the Term (as defined below);

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, the parties agree as follows:

1. Parties; Provision of Services

- A. The Supplier is hereby engaged to deliver the Services of the Consultant. The Supplier shall not be entitled to replace the Consultant with any other person unless mutually agreed.

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- 1.2 All references to the Corporation shall be deemed to include the Parent following the completion of a Liquidity Event.
- 1.3 The Corporation hereby engages the Supplier for the services of the Consultant, the Consultant to perform certain services to the Corporation (the “Services”) as are described in Schedule “A” attached hereto, as of the Effective Date and for the duration of the Term, subject to earlier termination in accordance with section 3 of this Agreement. The Consultant shall report to the Vice President of Product Development or, in the absence thereof, the President and CEO of the Corporation.
- 1.4 It is acknowledged and agreed that the Consultant is expected to travel, liaise with government authorities and other third parties in Canada and internationally and to provide training and education to employees and/or independent contractors engaged by the Corporation. It is further acknowledged and agreed that the amount of time that may be required from the Consultant to provide the Services may vary throughout the Term. The Supplier and the Consultant hereby confirm that the foregoing expectations are reasonable and that the Monthly Fee is fair consideration therefor.
- 1.5 The Corporation reserves the right to change, modify, or alter the Consultant’s responsibilities, position, or the individual(s) to whom the Consultant will report in accordance with its future needs, without advance notice or other obligation and the Consultant consents to the Corporation’s right to do so.
- 1.6 The Corporation and the Consultant shall meaningfully consult with respect to the Party that will be responsible for providing the tools required to provide the Services from time to time throughout the Term. For example, the Corporation shall acquire or finance the use of one or more laboratories as may be required upon consultation with the Consultant and taking into consideration the recommendations and requirements of the Consultant.
- 1.7 The Services hereunder shall be provided on the following terms and conditions:
- (a) Unless otherwise required by the Corporation, the primary objectives of the Consultant will be to transfer any and all knowledge and expertise related in any manner to the Smartek IP Assets, support the commercial deployment of the technology across various business opportunities identified by the Corporation, and facilitate the further development thereof as may be required in the discretion of the Corporation and pursuant to the terms of the IP Agreement;
 - (b) the Consultant agrees to devote sufficient working time, attention and ability (in a timely manner) to the business of the Corporation as is reasonably necessary for the proper performance of the Services pursuant to this Agreement;
 - (c) the Supplier and the Consultant each represent and warrant that the Consultant has the skill, expertise, and capabilities necessary to effectively perform the Services under this Agreement;
 - (d) the Consultant shall faithfully, honestly and diligently provide the Services to the Corporation, use the Consultant's best efforts to promote the best interests of the Corporation, and utilize professional skill and care to ensure that all Services rendered hereunder are performed to the satisfaction of the Corporation, acting reasonably;
 - (e) the Supplier and the Consultant shall each comply with all applicable rules, laws, regulations, industry codes, directions and policies, including without limitation, all corporate and securities laws applicable to the Corporation and the operations and transactions thereof, of any kind whatsoever having application to the carrying out and performance of the Consultant's obligations under this Agreement; and
 - (f) each of the Supplier and the Consultant has and shall throughout the Term (as defined below) maintain all licenses, approvals and certifications necessary and appropriate to perform the Services, if and to the extent applicable to the Consultant’s provisions of the Services.



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2. Compensation and Expenses

- 2.1 It is agreed that, in consideration for the Services provided during the Prior Period, the Corporation shall pay to or as directed by the Supplier compensation equal to [REDACTED] per month, plus applicable taxes if so required (the "Monthly Fee"), paid in advance on or about the first day of each month. For the avoidance of doubt, no additional payments of any kind shall be payable by the Corporation to the Supplier or Consultant, whether for the reimbursement of expenses incurred by the Supplier or the Consultant or otherwise, in excess of the Monthly Fee. The Supplier shall be solely responsible for the payment of expenses including but not limited to laptop/computer, cellular phone, travel and accommodation, and other like expenses incurred in the course of providing the Services.
- 2.2 In the event that the Consultant delivers to the Corporation the Success Deliverables, as defined in Schedule "B", attached hereto, the Supplier will be entitled to receive the Success Fees (as defined in Schedule "B").
- 2.3 Each of the Supplier and the Consultant acknowledge and agree that neither the Supplier nor the Consultant is covered by any plans, including, without limitation, health, dental, vision, pension, or similar plans that the Corporation has, has had or may in the future have in place for its employees. The Supplier and the Consultant shall each make their respective own arrangements for disability coverage and for insurance (including, without limitation, for accidents or injuries that might occur during the course of performing the Services hereunder).
- 2.4 Notwithstanding section 2.1, the Corporation agrees to pay in advance, to or as directed by the Supplier, an amount equal to four (4) months' of Monthly Fees, being an amount equal to CAD \$60,000, (the "Advance Fees") on or about January 2, 2020, together with the first payment of the Monthly Fee. The Supplier and the Consultant hereby agree to execute a promissory note in the form attached hereto as Schedule "C" (the "Note") prior to the receipt of the Advance Fees. Forthwith upon June 1, 2020, the Advance Fees shall be deemed to have been earned and, as such, the Corporation shall return or destroy the Note as directed by the Supplier.

3. Duration, Termination and Default

- 3.1 The term of this Agreement is deemed to have commenced on the Effective Date and will continue for a period of 24 months from the Closing Date (as defined in the IP Agreement) (the "Term").
- 3.2 Notwithstanding section 3.1, this Agreement may be earlier terminated by the Corporation:
 - (a) Upon the mutual agreement of the parties hereto;
 - (b) upon the death or Disability of the Consultant. For the purposes of this Agreement, "Disability" shall be defined as the inability through bona fide illness, physical or mental, to devote the time and attention to the affairs of the Corporation required of the Consultant and such disability shall continue for 90 days from the commencement of such disability or for 180 days in the aggregate during any period of 365 consecutive days, calculated as of the first working day that the Consultant does not attend to the affairs of the Corporation required of the Consultant, statutory holidays and vacations excepted;
 - (c) in accordance with section 10.4;

[REDACTED] by the Corporation for Cause. For the purposes of this Agreement, "Cause" shall mean:

- i the Consultant being convicted of a relevant criminal offence;

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- ii the Consultant committing any fraudulent, dishonest or negligent act in connection with the performance of the Services;
 - iii the Consultant failing to perform any of the Services in the manner or within the time required herein, or committing or permitting a breach of, or default in, any of the Consultant's duties or obligations hereunder; or
 - iii the inability of the Consultant to adapt to reasonable changes to the Services as may be required from time to time throughout the Term, whether with regard to changes in physical location, amount of time require to sufficiently deliver the Services, nature of the Services depending on the business needs of the Corporation, or other similar changes.
- 3.3 Upon termination of this Agreement, the Consultant shall promptly deliver all Company Property, as defined in, and in accordance with, section 6.1 of this Agreement.
- 3.4 Upon termination of this Agreement, the Corporation shall pay to or as directed by the Supplier any compensation not yet paid and having accrued hereunder, if applicable, up to = the effective date of termination.
- 3.5 The Corporation, the Supplier and the Consultant confirm that any termination under this Agreement in compliance with this section 3 is fair and reasonable, and the Corporation, the Supplier and the Consultant agree that in such circumstances, neither the Supplier nor the Consultant shall have any action, cause of action, claim or demand against the Corporation or against any of its directors, officers, employees, shareholders, advisors, consultants, representatives or agents, or against any other person as a consequence of such termination, subject to due payment of the remuneration set out in this section 3.

4. Independent Contractor

- 4.1 The Supplier, for the services of the Consultant, shall perform the Services pursuant to this Agreement as an independent contractor, and nothing in this Agreement shall be construed as creating an employment, joint venture, agent or partnership relationship between the Corporation and the Supplier and/or the Consultant. The Supplier and the Consultant each acknowledge that the Supplier and/or the Consultant, as applicable, are each responsible for remitting the Supplier's and the Consultant's own taxes and any contributions required by law to be remitted and that the Corporation shall have no responsibility in respect of any failure by the Supplier or the Consultant to properly remit such amounts when due. The Supplier and the Consultant both agree, jointly, severally and collectively, to indemnify and save harmless the Corporation, its directors, officers, members, employees, consultants, advisors, representatives and agents, from and against any and all manner of actions, claims and demands which may be made against it in respect of any fees, assessments, levies, rates, taxes or other charges made, demanded, assessed or otherwise claimed by any municipal, provincial or federal government or other body of competent jurisdiction in respect of any monies paid to the Consultant under this Agreement, including, without limitation, HST or other similar taxes, contributions to any pension/retirement plans, employment insurance or workers compensation premiums.
- 4.2 In addition to section 8, the Supplier and the Consultant shall both be liable for, and both hereby agree, jointly, severally and collectively, to indemnify and save the Corporation harmless from any and all claims, actions, suits, costs, demands, losses, damages (including indirect, incidental and consequential damages) and expenses which may be made against the Corporation, by reason or any act or omission (negligent or otherwise) of the Supplier or the Consultant with respect to this section 4.
- 4.3 The remuneration set out in section 2 will be the only compensation provided to the Supplier and the Consultant for providing the Services unless otherwise agreed by the Corporation, the Supplier and the Consultant in writing. The Corporation will not pay: (i) any contribution to pension/retirement plans or employment insurance; (ii) workers' compensation premiums; or (iii) federal, provincial, state or



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otherwise as applicable withholding taxes. The Corporation will not pay any other contributions or benefits that might be expected in an employer-employee relationship.

- 4.4 Neither the Supplier nor the Consultant shall have authority to act, or to hold the Consultant out, as an agent of the Corporation. Neither the Supplier nor the Consultant shall enter into any contract or commitment in the name of or on behalf of the Corporation or bind the Corporation in any respect whatsoever. Further and for the avoidance of doubt, neither the Supplier nor the Consultant shall engage in any discussions with any third party with respect to the Corporation, the Company Property, the Smartek Parties IP Assets, the Developments, or otherwise regarding the Services without the prior approval or direction of the Corporation.

5. Confidential Information

- 5.1 All Confidential Information (as defined hereinbelow) developed in whole or in part by the Consultant during the Term is and shall at all times be the exclusive and confidential property of the Corporation and will at all times be regarded, treated and protected as such by the Supplier and the Consultant, as provided in this Agreement.
- 5.2 Neither the Supplier nor the Consultant shall, except with the prior written consent of the Corporation, at any time during or following the Term, directly or indirectly, disclose, divulge, reveal, report, publish, transfer or use for any purpose any of the Confidential Information that has been obtained or disclosed to the Consultant by or pertaining to the Corporation.
- 5.3 Disclosure of any Confidential Information of the Corporation shall not be prohibited if the disclosure is directly pursuant to a valid and existing order of a court or other governmental body or agency within Canada, provided, however, that: (a) the Consultant shall first have given prompt notice to the Corporation of any possible or prospective order (or proceeding pursuant to which any order may result); and (b) the Corporation shall have been afforded a reasonable opportunity to prevent or limit any disclosure.
- 5.4 The Supplier and the Consultant each hereby confirm that all restrictions in this paragraph are reasonable and valid, and any defences to the strict enforcement thereof by the Corporation are waived by the Supplier and the Consultant respectively. Without limiting the generality of the foregoing, the Supplier and the Consultant each hereby consent to an injunction being granted by a court of competent jurisdiction if the Supplier or the Consultant is in breach of any of the provisions of this paragraph. The Supplier and the Consultant each hereby expressly acknowledge and agree that injunctive relief is an appropriate and fair remedy in the event of a breach of any of the provisions set forth in this section.
- 5.5 The Supplier's and the Consultant's obligations under this section will remain in effect in perpetuity in accordance with their terms and continue in full force and effect despite any breach, repudiation, alleged breach or repudiation, or termination of this Agreement.
- 5.6 "**Confidential Information**" means all information about those matters and things that are or may reasonable be expected to be confidential to the Corporation, whether or not reduced to writing and whether or not marked as "confidential", that the Consultant receives or obtains access to, or develops, in whole or in part, directly or indirectly, in the course of or in connection with the Consultant's consulting engagement with the Corporation, or prior and leading to such engagement, including without limitation:

- (a) the Corporation's patents, patent applications, trademarks, trademark applications, trade secrets, know-how, designs, drawings, designs, formulas, concepts, and other related information and intellectual property in and thereto, including any and all of the foregoing acquired by the Corporation pursuant to the terms of the IP Agreement;

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- (b) work product resulting from or related to work or projects performed for, or to be performed for, the Corporation, including, but not limited to, the methods, processes, procedures and techniques used in connection therewith;
- (c) any intellectual property contributed to the Corporation and any other technical and business information of the Corporation that is of a confidential, trade secret and/or proprietary character;
- (d) internal Corporation personnel and financial information, supplier names and other supplier information, purchasing and internal cost information, internal services and operational manuals, and the manner and method of conducting the Corporation's business;
- (e) current and potential customer information, including, but not limited to, details regarding the contact information for, and purchases and requirements of, such customers;
- (f) promotional, marketing and business development plans, price and cost data, fee amounts, pricing and billing policies, quoting procedures, marketing techniques and methods of obtaining business, forecasts and forecast assumptions and volumes, and future plans and potential strategies of the Corporation that have been or are being discussed;
- (g) all information that becomes known to the Consultant as a result of this Agreement or the Services performed hereunder that a reasonable person would believe is confidential information; and
- (h) all information that: (i) is used or may be used in business or for any commercial advantage; (ii) derives 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; (iii) is the subject of reasonable efforts to prevent it from becoming generally known; or (iv) the disclosure of which would result in harm or improper benefit.

For the avoidance of doubt, the Smartek Parties IP Assets and any and all right, title and interest in and to the Smartek Parties IP Assets and the Products are considered or deemed to be Confidential Information, whether or not yet assigned as of the date of this Agreement pursuant to the terms of the IP Agreement.

6. Company Property; Intellectual Property

6.1 The Supplier and the Consultant each hereby acknowledge and agree that all property of the Corporation (the “**Company Property**”), including without limitation equipment, inventory, books and records, credit cards, reports, files, manuals, literature, marketing materials, correspondences of any kind, emails, texts, social media postings, data, designs, analyses, spreadsheets, contracts and other materials, furnished by the Corporation to the Consultant or the Supplier during, prior to or following the termination or expiration of the Term, remain and are to be considered the exclusive property of the Corporation at all times prior to, during and following the Term. For the avoidance of doubt, the Smartek Parties IP Assets and any and all right, title and interest in and to the Smartek Parties IP Assets and the Products are considered and deemed to be Company Property, whether or not yet assigned as of the date of this Agreement pursuant to the terms of the IP Agreement.

6.2 Upon the expiration or termination of this Agreement, or at any time, at the request of the Corporation, the Supplier and the Consultant shall promptly return to the Corporation any and all Company Property in good condition, and shall delete any and all physical copies thereof or any digital copies on any device owned or controlled by the Supplier and/or the Consultant or to which the Supplier and/or the Consultant has or may at any time have access.

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- 6.3 The Supplier and the Consultant each acknowledge and agree that any concepts and ideas disclosed by the Corporation to the Supplier or the Consultant or that are first developed by the Supplier or the Consultant during the course of the performance of the Services hereunder and that relate to the Corporation's present, past or prospective business activities, services and products, shall remain the sole and exclusive property of the Corporation. The Consultant agrees that it shall have no patent, copyright, trademark, publication or other intellectual property or other rights and all of the same shall belong exclusively to the Corporation.
- 6.4 The Supplier and the Consultant each hereby irrevocably sell, assign and transfer, and agrees to sell, assign and transfer exclusively to the Corporation by virtue of the engagement of the Supplier for the services of the Consultant hereunder, any and all of its right, title and interest in and to, in Canada and all other countries in the world, any and all Developments, which are hereby defined as and include, without limitation, copyright works, trademarks, engineering drawings, processes and designs, trade names, industrial designs, patents, patent applications, re-issues, continuations, continuations in part, divisionals, renewals, integrated circuit topographies, inventions, discoveries, developments, ideas, plans, methodologies, designs, architectures, research data, trade secrets, know-how, Confidential Information and technology ("**Developments**"), together with the goodwill related to all trademarks, and all patents, applications, reissues, continuations, continuations in part or divisional applications for any patent and any other intellectual property in any Development that it has solely or jointly authored, created, conceived, developed or reduced to practice. The Supplier and the Consultant each agree not to apply for any intellectual property rights for any Developments and agrees not to oppose, contest or seek to invalidate any registration of such rights by the Corporation.
- 6.5 The Supplier and the Consultant each hereby waive in whole any moral right, or similar right, which it or he may have in any Development or in any part or parts thereof, to the extent that they cannot be assigned to the Corporation pursuant to this Agreement. The Corporation shall be entitled to transfer rights therein either separately or in connection with any transfer of its business.
- 6.6 The Supplier and the Consultant each agree to make full disclosure to the Corporation in a timely manner of all Developments and to do all things that may be necessary to make the Corporation the owner of such Developments. The Supplier and the Consultant each agree that it and he will not be entitled to any additional remuneration for any Developments beyond the remuneration described in this Agreement (or otherwise set out in the IP Agreement). The Supplier and the Consultant each further agree to do whatever is necessary or desirable to enable the Corporation to apply for and secure copyright or patent protection for the Developments in Canada and elsewhere. The Supplier and the Consultant each further agree that, even if their engagement with the Corporation is terminated, it and he will at all times co-operate with the Corporation during the Term and thereafter indefinitely in the prosecution or defence of any lawsuit or proceeding in connection with any copyright or patent or application of the Corporation.

7. Non-Solicitation; Non-Competition

- 7.1 The Supplier and the Consultant each agree that during the Term and for a period of 24 months following the expiration or termination of this Agreement for any reason whatsoever, neither the Supplier nor the Consultant will directly or indirectly solicit away from the Corporation, interfere with, or endeavor to solicit away from the Corporation any person that:
- (a) is a client, customer, consultant, contractor, advisor or employee of the Corporation; or
 - (b) was a client, customer, consultant, contractor, advisor or employee of the Corporation at any time during the last 12 months of the Term.

The Supplier and the Consultant each confirm that all restrictions in this paragraph are reasonable and valid and that the Supplier and the Consultant each waive all defences to the strict enforcement of such restrictions in this paragraph by the Corporation.

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- 7.3 The Supplier and the Consultant each agree that during the Term and for a period of 24 months following the expiration or termination of this Agreement for any reason whatsoever, neither the Supplier nor the Consultant will, for whatever reason and with or without cause, either individually or in partnership or jointly or in conjunction with any person or persons, firm, association, syndicate, company, corporation or entity as principal, agent, employee, shareholder owner, investor, partner or in any other manner whatsoever, directly or indirectly, recreate or attempt to recreate in any manner or form, any products, technology, concepts, designs, trade secrets or know-how or otherwise any intellectual property of any kind that is the same or substantially similar to, or competitive or likely to be competitive with, the Smartek IP Assets or the Developments. .
- 7.4 The provisions in this paragraph are each separate and distinct covenants, severable from one another. If any such covenant is determined to be invalid or unenforceable, such invalidity or unenforceability will attach only to the covenant so determined and all other such covenants will continue in full force and effect.

8. Indemnification

- 8.1 In addition to the requirement to indemnify set out in section 4.2 of this Agreement, each of the Supplier and the Consultant, jointly, severally and collectively, shall also indemnify and save harmless the Corporation, directors, officers, members, employees, consultants, advisors, representatives and agents, from and against all claims, demands, actions, causes of action, losses, expenses, cost of damages and liabilities of every nature and kind whatsoever which the Corporation or its directors, officers, members, employees, consultants, advisors, representatives and agents may suffer or incur as a result of, in respect of or arising out of any non-fulfilment of any covenant or agreement on the part of the Supplier or the Consultant under this Agreement or any negligence or other tortious act committed by the Supplier or the Consultant in the performance of this Agreement.

9. Remedies; Arbitration

- 9.1 The Supplier, the Consultant and the Corporation each hereby agree that any dispute or controversy in connection with this Agreement, including its interpretation but subject to sections 9.2, 9.3 and 9.4, will be conclusively settled by submission to arbitration (the "**Arbitration**") in accordance with the rules of arbitration of Ontario as set out in the *Arbitration Act* (Ontario), as amended from time to time. The Arbitration will be conducted in the City of Ottawa before one arbitrator mutually agreeable to the parties or, failing such agreement, three arbitrators, with each party selecting one arbitrator and the arbitrators together selecting the third arbitrator (the "**Arbitrator**"). The costs of the Arbitrator will be born equally between the parties, notwithstanding which the Arbitrator shall have the power to award costs in the Arbitrator's discretion in making the award decision. The decision of the Arbitrator shall be final and binding and without any right of appeal.
- 9.2 The Supplier and the Consultant each acknowledge and agree that the restrictions in sections 5, 6 and 7 of this Agreement are reasonable and that the business and affairs of the Corporation cannot be properly protected other than by the restrictions contained in this Agreement. If any of the aforementioned restrictions are deemed unenforceable but would otherwise be valid if more limited in scope, the Consultant consents to the court making such modifications as may be required to make any restrictions in question valid and effective.
- 9.3 The Supplier and the Consultant each acknowledge further that in the event of a breach of the restrictions in sections 5, 6 or 7 of this Agreement, the Corporation's remedy in the form of monetary damages will be inadequate. Therefore, the Corporation shall be and is hereby authorized and entitled, in addition to other rights and remedies available to it, to apply to a court of competent jurisdiction for interim and permanent injunctive relief and an accounting of all profits and benefits arising out of such breach without the necessity of posting a bond or other security.

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9.4 The existence of any claim or cause of action of the Supplier or the Consultant against the Corporation, whether pursuant to this Agreement or otherwise, shall not constitute a defence to the enforcement by the Corporation of the provisions of sections 5, 6 or 7 against the Supplier or the Consultant.

10 Miscellaneous

10.1 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada as applicable therein.

10.2 **Submission to Jurisdiction.** Each of the parties irrevocably submits to the exclusive jurisdiction of the courts of the Province of Ontario.

10.3 **Independent Legal Advice.** Each party to this Agreement represents and warrants to each other party that such party has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, and has executed this Agreement based upon such party's own judgment and advice of independent legal counsel.

10.4 **Representations of the Supplier and the Consultant.** The Supplier and the Consultant each hereby represent that:

- (a) Neither the Supplier nor the Consultant is bound by any non-competition agreement, non-solicitation agreement or any other agreement that would in any way limit or interfere with the Supplier's or the Consultant's ability to perform the terms of this Agreement; and
- (b) The Consultant has the history, skill, experience and abilities to perform the Services.

Without limiting the Corporation's rights pursuant to section 9 or otherwise available to it under applicable laws, the Consultant hereby acknowledges and agrees that any misrepresentation or omission by the Consultant regarding the foregoing will constitute cause for the immediate termination of this Agreement, without notice or other obligation.

10.5 **Assignment.** Neither the Consultant, the Supplier nor the Corporation may assign their rights or delegate their obligations under this Agreement without the prior written consent of the other party, unless to an affiliated entity in the case of the Corporation.

10.6 **Severability.** The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid or unenforceable provision shall be deemed replaced and shall be replaced with a valid provision that is as similar as possible in substance to the invalid or unenforceable provision.

10.7 **Number and Gender.** In this Agreement, words importing the singular number only shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine and neutral genders and *vice versa* and words importing persons shall include individuals, partnerships, associations, trusts and corporations and *vice versa*.

10.8 **Currency.** All sums of money to be paid or calculated pursuant to this Agreement shall be paid or calculated in the currency of Canada unless otherwise expressly stated.

10.9 **Time of the Essence.** Time is of the essence in this Agreement.

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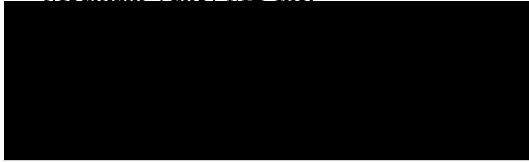
10.10 **Counterparts.** This Agreement may be executed originally or electronically, and in two or more counterparts, each of which shall be deemed an original, and together shall constitute one and the same instrument.

10.11 **Further Assurances.** Each party shall from time to time promptly execute and deliver all further documents and take all further action reasonably necessary to give effect to the provisions of this Agreement.

10.12 **Notices.** All notices shall be in writing and shall be delivered by hand, mailed by prepaid registered mail or by courier. Notices shall be addressed as follows:

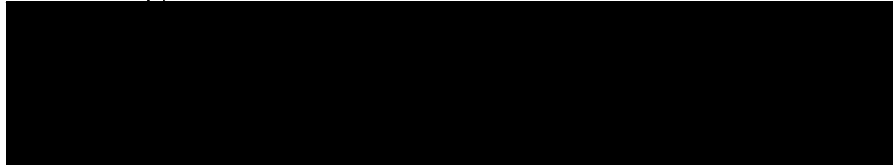
If to the Corporation:

Mountain Valley MD Inc.



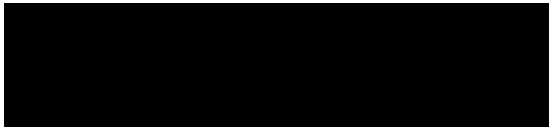
[PARTY CONTACT INFORMATION]

With a copy to:

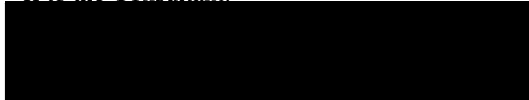


If to the Supplier:

Smartek International LLC



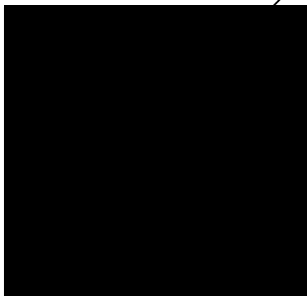
If to the Consultant:



10.13 **Survival of Terms.** Except as otherwise set out in this Agreement, sections 4, 5, 6, 7 and 9 of this Agreement shall survive the expiration or termination of this Agreement in indefinitely.

10.14 **Entire Agreement.** This Agreement, and the schedules hereto, sets forth the entire understanding of the parties hereto with respect to its subject matter and supersedes all prior agreements, negotiations, and understandings, written or oral, with respect to matters covered hereby, excluding the IP Agreement and any agreements identified therein.

[Signatures to appear on following page.]

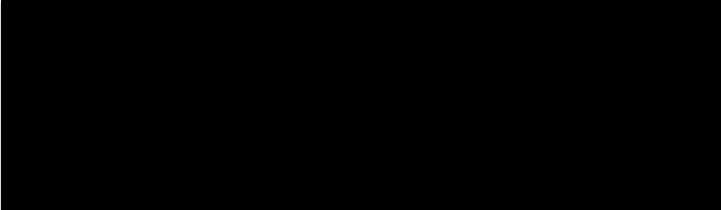


[INITIALS]

IN WITNESS WHEREOF, the parties have executed the Agreement as of the date first written above.

Corporation:

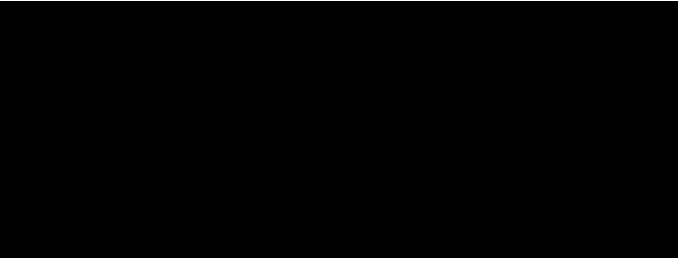
MOUNTAIN VALLEY MD INC.



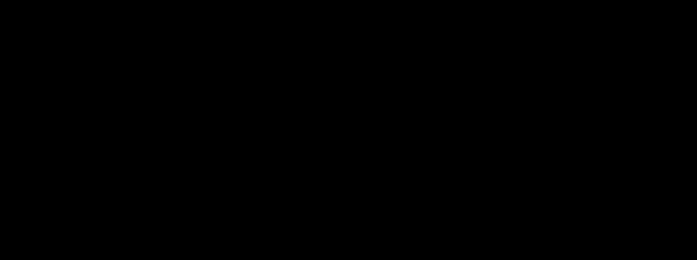
[PARTY SIGNATORY INFORMATION]

Supplier:

SMARTEK INTERNATIONAL LLC



Consultant:



Schedule "A"

SERVICES

Job Title: Director, Life Sciences

DESCRIPTION:

Reporting to the Vice President of Product Development, or in the absence of the foregoing, the President, and with support from internal science, marketing and research staff, the Director of Life Sciences leads all scientific and technical research and development for the Corporation's growing portfolio of health and wellness products.

KEY RESPONSIBILITIES:

- Lead research and development, formulation, and prototyping of the Corporation's full portfolio of pharmaceutical, nutraceutical, cosmetics, over-the counter and dietary supplement products (the Corporation's product portfolio) including:
- Lead new product formulation development activity within company's strategy framework and associated budget and timelines.
- In order to protect the current and future commercial interests of the Company, lead the strategy and activities to safeguard and extend the intellectual property of the Corporation's product portfolio, including working to extend existing patents, and creating patents on new formulations, inventions and manufacturing methodologies.
- Provide ongoing scientific and technical leadership for new product development.
- Lead the successful transition, planning, optimization and commercialization of the Smartek desiccated liposome asset portfolio into the Corporation.
- Support efforts to document all formulations and manufacturing methods associated with the Smartek desiccated liposome asset portfolio
- Support efforts to document all formulations and manufacturing methods associated with new products developed and added to the Corporation's product portfolio
- Support efforts to document all R&D experimental development activities for Canada Revenue Agency Scientific Research and Development Tax Credits
- Support commercialization efforts of the Corporation's product portfolio
- Support new product development research projects
- Support third-party manufacturers of the Corporation's portfolio products.
- Support alpha/beta product testing
- Provide strategic input into any facility and equipment design as necessary to support commercial scale and product development pipelines.
- Input to the design and implementation of research projects that demonstrate the Corporation's product attributes relative to key competitors in the marketplace.
- Support the Corporation's business development efforts within targeted resellers, distributors and licensed manufacturers.
- Support pricing model development for product manufacturing
- Ensure that good laboratory practices and high scientific/technical standards are maintained in the conduct of the development and commercial programs and in accordance with relevant regulations.
- Represent the Corporation at key scientific/technical conferences, regulatory and business meetings and provide presentations on progress and plans as directed.
- Establish and maintain contacts with key opinion leaders, business development officers and scientific leaders within key target industries in support of fulfilling on the strategic interests of the Corporation.



[INITIALS]

[SCHEUDLE B REGARDING MILESTONES
REMOVED]