

## LICENSING AND ASSIGNMENT AGREEMENT

THIS AGREEMENT made as of the 29<sup>th</sup> day of September 2017.

BETWEEN:

**SKINVISIBLE PHARMACEUTICALS, INC.**, a company incorporated under the laws of the State of Nevada having its principal place of business located at - 6320 South Sandhill Road, Suite #10, Las Vegas, Nevada, 89120 (“Skinvisible”);

AND:

**OVATION SCIENCE INC.**, a British Columbia company having its registered office at Suite 704, 595 Howe Street, Vancouver, BC V6C 2T5, (“Ovation”).

WHEREAS:

- A. Skinvisible is in the business of developing polymer-based delivery systems, formulations and related technologies for combining hydrophilic and hydrophobic polymer emulsions and licensing its technologies and selling its polymer delivery systems to established brand manufacturers and providers of topical prescription and over-the-counter cosmeceutical and skincare products.
- B. Skinvisible has identified a new business opportunity to license its technologies and sell its polymer delivery systems for Cannabis based products (the “New Business Opportunity”).
- C. Skinvisible wishes to exploit the New Business Opportunity through a company incorporated in Canada because of the favorable financing atmosphere for Cannabis related business in Canada.
- D. Ovation is a British Columbian subsidiary of Skinvisible.
- E. Skinvisible has entered into an agreement with Canopy Growth Corporation (the “Canopy Agreement”) granting Canopy certain rights.
- F. Skinvisible and Ovation have agreed to enter into this Agreement, whereby Ovation will have the exclusive right to manufacture, private label, distribute, market, sell, resell and promote the Licensed Products worldwide and Ovation will be assigned the Canopy Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein set forth and other good and valuable consideration, Skinvisible and Ovation (the “Party” or jointly the “Parties”) agree as follows:

### **1. DEFINITIONS**

In this Agreement, the following terms have the following meanings:

- 1.1 **Affiliate** shall mean any individual or entity directly or indirectly controlling, controlled by or under common control with, a Party to this Agreement. For purposes

of this Agreement, the direct or indirect ownership of over fifty-percent (50%) of the profits or earnings of an entity shall be deemed to constitute control. Such other relationship as in fact results in actual control over the management, business and affairs of an entity shall also be deemed to constitute control.

- 1.2 **Canopy Agreement** means the Agreement dated September 15, 2017 between Skinvisible and Canopy Growth Corporation to be assigned to Ovation.
- 1.3 **Confidential Information** means any and all technical or business information, data, designs, concepts, ideas, products, processes, methods, techniques, specifications, formulas, compositions, samples, know-how, trade secrets, and improvements of a confidential or proprietary nature, whether in tangible form or not, which relate to the Licensed Products, or the development, manufacture, end-use, or commercialization thereof, and were disclosed by one Party to the other Party under this Agreement. As used herein, "Confidential Information" shall not include information a Party can demonstrate through its records:
  - 1.3.1 is, at the time of disclosure, available to the general public;
  - 1.3.2 becomes at a later date available to the general public through no fault of the receiving Party, and then only after said later date; was already in the possession of the receiving Party without restriction prior to the date of disclosure;
  - 1.3.3 was already in the possession of the receiving Party without restriction prior to the date of disclosure;
  - 1.3.4 is disclosed to the Party without secrecy obligations by a third party who had a lawful right to disclose it; or
  - 1.3.5 is independently developed by personnel of the receiving Party who had no direct or indirect access to the Confidential Information of the disclosing Party.
- 1.4 **Customer(s)** means, at any time and from time to time, the customers of Ovation or Sub-Licensee in respect to the final consumer of the Product.
- 1.5 **Formula** shall mean the specific ingredients, composition, and process for preparing the Product (as defined below).
- 1.6 **Patents** shall mean all patents and patent applications throughout the world, covering or relating to the Products, including any substitutions, extensions, reissues, re-examinations, renewals, divisions, continuations, or continuations-in-part, foreign equivalents, and patents issuing there from and patents pending and future patent applications which are owned or controlled by Skinvisible pertaining to the Licensed Products, Confidential Information, and Improvement Inventions. Subject to limited rights and license granted herein, Skinvisible shall retain all right, title and interest in Patents
- 1.7 **Polymer** shall mean Skinvisible's proprietary and patented Invisicare® delivery system technology.
- 1.8 **Products** shall mean all Skinvisible's formulas for products formulated with Invisicare® ("Formulas") and cannabis which includes marijuana and hemp including but not limited to cannabinoids, hemp seed oil and any synthetic derivatives of cannabis ("Cannabis").

- 1.9 **Product Specifications** shall mean the specifications for the Product that will likely be needed to meet customer and regulatory requirements.

## 2. **GRANT OF LICENSE**

- 2.1 Subject to the terms hereof, Skinvisible hereby grants to Ovation, subject to the rights granted under the Canopy Agreement, the exclusive worldwide right to manufacture, distribute, sell, market, sub-license and promote the Products including the right to use the subject matter of any Skinvisible patents and trademarks which cover the Products or Polymer. For greater certainty, while this Agreement shall remain in effect, except for Sub-Licensees appointed by Ovation, no person, firm or corporation will be granted the right to distribute, sell, market, sub-license or promote the Products other than Ovation.
- 2.2 Subject to the terms hereof, Skinvisible hereby assigns to Ovation its interest in the Canopy Agreement.
- 2.3 Ovation shall be entitled to keep 100% of the royalties, license fees, development fees or any other fees associated with the Products and keep 100% of any monies generated under the Canopy Agreement except for the initial for the development of the initial Canopy products received by Skinvisible. Skinvisible will complete at its cost the development of the initial Canopy Products.
- 2.4 Ovation hereby assumes and agrees to perform all the remaining and executory obligations of Skinvisible under Ovation's License.
- 2.5 Skinvisible agrees to allow Ovation to manufacture any of the Invisicare® Polymers required only for the Products and will provide the information and all relevant documentation and instructions necessary to manufacture Invisicare and Products.
- 2.6 Ovation shall not be restricted from integrating the Polymer or the Products into the manufacture and production of a separate finished formulation made with Cannabis, or to add Cannabis into any of Skinvisible's current formulations, to be distributed, sold, marketed and promoted by or on behalf of Ovation or its permitted agents, associates, or affiliates.
- 2.7 Ovation also has the right to hire Skinvisible R&D staff for development of new Products.
- 2.8 Ovation shall bear all costs incurred in connection to duties, taxes, importation documentation and costs arising from regulatory requirements in the Territory.
- 2.9 Ovation shall be entitled to modify, alter, improve, or change (collectively "modify" or "modification") any or all of the Products covered by this Agreement at any time during the term of this Agreement.
- 2.10 Ovation shall not be restricted from combining the Products with other chemical solutions or incorporating any Product into the manufacture and production of finished products to be distributed, sold, marketed and promoted by or on behalf of Ovation or its permitted agents, associates or affiliates.

## 3. **PAYMENT**

3.1 The consideration for the grant of the License and the assignment shall be the sum of \$500,000 US payable as follows:

3.1.1 1: US\$250,000 within 90 days of execution of this Agreement;

3.1.2 2: A promissory note for US\$250,000 payable upon the earlier of the company completing an initial public offering or March 31, 2018.

#### **4. TERMS AND CONDITIONS OF POLYMER ORDERS**

4.1 Until such time as Ovation shall commence Polymer manufacturing, Skinvisible will supply Polymer to Ovation at

#### **5. OBLIGATIONS OF Skinvisible**

5.1 Skinvisible shall at all times during the Term of the Agreement:

5.1.1 Publish and make available to Ovation from time to time a list of the Polymer and a list of the prices charged by Skinvisible therefore;

5.1.2 With respect to each Polymer sold to Ovation, provide Ovation with a standard Certificate of Analysis;

5.1.3 Reimburse Ovation under any warranty obligation of Skinvisible;

5.1.4 Permit Ovation to use Skinvisible's Invisicare® trademark (collectively "Trademark") and any Skinvisible trademarks or website urls associated with the Products, for the sole purpose of advertising, marketing and distributing the Product within the Territory, and strictly in accordance with the terms and conditions of the Trademark License Agreement of Schedule B.

5.2 Skinvisible hereby grants Ovation a royalty-free, non-exclusive, non-transferable license to use Skinvisible's Confidential Information, Improvement Inventions, and Patents that are directly relevant to the advertising, marketing, distribution, and sale of the Product within the Territory under this Agreement, and the manufacture by Ovation of the Product, and Polymer. This license is limited in scope, and shall not authorize Ovation to use Skinvisible's Confidential Information, Improvement Inventions, or Patents outside of this Agreement without Skinvisible's prior, written consent.

#### **6. RIGHT TO MANUFACTURE**

6.1 Ovation shall have the right to manufacture the Products covered by this Agreement, instead of sourcing it from Skinvisible, provided that: (a) Ovation makes the Product strictly in accordance with the Formula, and that it achieves the Licensed Product Specifications; (b) Ovation applies Skinvisible's Invisicare® Trademark in a prominent fashion to all packaging, labels, tags, advertising, and promotional materials associated with the Product, if government regulations allow such labelling.

6.2 Should Ovation decide to manufacture Product or Polymer under this Agreement, Skinvisible shall disclose to Ovation as soon as reasonably practicable the Formula, Product specifications, and manufacturing know-how in sufficient detail (using reasonable commercial efforts) to enable Ovation to make the Product or Polymer. This information shall be treated as Skinvisible's Confidential Information pursuant to

Section 9. Notwithstanding the foregoing, Skinvisible shall not be required to disclose any specific information to Ovation in the event that any agreement with a third party would preclude Skinvisible from doing so.

- 6.3 Ovation shall bear all costs associated with the: (a) disclosure of the formula, Product or Polymer specifications, manufacturing know-how; (b) adapting such information or technology for its use by Ovation; (c) any necessary training; (d) any documentation done for Ovation's internal purposes; and (e) any clinical safety or efficacy studies required by the Health Authorities in the Territory for Product registration.
- 6.4 Ovation shall permit duly authorized representatives of Skinvisible, at reasonable times, upon reasonable notice, and in the company of Ovation's employees to enter any facility where the Product is being manufactured for the purpose of: (a) inspecting those portions of the facility used in the manufacture, handling, or storage of the Product; (b) inspecting the manufacture, handling, and storage of the Product; and (c) ensuring that the provisions of this Agreement are being complied with by Ovation. Such representatives shall comply with all of Ovation's plant safety and other rules and regulations while at the facility.

## **7. IMPROVEMENT INVENTIONS**

- 7.1 Ovation shall have the right to make any modifications or improvements to the Product without Skinvisible's prior, written permission. In the event that Ovation does conceive, develop, or reduce to practice any invention or other information arising from or based upon the use of Skinvisible's Confidential Information or Product (hereinafter "Improvement Invention"), then Ovation shall be the sole owner of such Improvement Invention, which shall be subject to the exclusive Licensee grant of Section 2. Should Ovation desire modification or improvement to be made to the Product by Skinvisible, it shall then contract with Skinvisible under a separate agreement to develop such modifications or improvements.
- 7.2 Ovation shall have the right, in its sole discretion, to patent the Product and Improvement Inventions.

## **8. MANAGEMENT OF OVATION**

- 8.1 Skinvisible agrees to permit Terry Howlett and Doreen McMorran to act as director and officers of Ovation during the currency of this Agreement and to devote such time as may be necessary to ensure the success of Ovation.
- 8.2 Terry Howlett and Doreen McMorran shall be entitled to compensation determined by the Board of Directors of Ovation and to participate in any option plans or private placements offered to directors and officers of Ovation and Skinvisible waives any claim it may have against Terry Howlett or Doreen McMorran in respect of the payment of the remuneration or their participation in option plans or private placements.

## **9. CONFIDENTIALITY**

- 9.1 Each Party recognizes the importance to the other Party's Confidential Information, and such information is critical to the business of the disclosing Party. Each Party

recognizes that neither Party would enter into this Agreement without assurance that its Confidential Information and the value thereof will be protected as provided in this Section 9 and elsewhere in this Agreement.

- 9.2 All Confidential Information shall remain the property of the disclosing Party. The receiving Party shall hold in strict confidence the disclosing Party's Confidential Information and with no less than the same degree of care that it holds its own confidential and proprietary information and it will take all reasonable precautions to protect such Confidential Information. The receiving Party shall make the Confidential Information received under this Agreement available only to those of its employees who have a need to know the same in connection with their work assignments to further the objectives contemplated under this Agreement. No disclosures to third Parties shall be made by the receiving Party of such Confidential Information without the prior written approval of the disclosing Party. The receiving Party will use the disclosing Party's Confidential Information only for the purposes and under the circumstances provided in this Agreement.
- 9.3 Upon any termination of this Agreement, or earlier at a Party's request, each Party will return the other Party's Confidential Information and all documents or media containing any such Confidential Information to the other Party, except that the receiving Party has the right to keep one copy of such information for legal purposes (which shall remain subject to the confidentiality provisions set forth herein), including, but not limited to, copies of all documentation required by the regulatory health authorities in the applicable country within the Territory.
- 9.4 Each Party acknowledges and agrees that the other Party shall be entitled to appropriate equitable relief in addition to whatever remedies it may have at law in the event of a breach by the other Party of its covenants contained in this Section 9. The foregoing provision is in addition to, and not in limitation of, any and all remedies at law, in equity or otherwise, that the non-breaching Party may have upon the other Party's breach of this Agreement.
- 9.5 Except as otherwise provided in this Agreement, either Party shall immediately notify the other Party of any private or governmental request for Confidential Information or any other information or documents relating to the Product or this Agreement. Each Party shall have the right to participate in the other Party's response to any such request. If a Party receives any legal instrument requiring the production of data, work papers, reports, or other materials relating to this Agreement, that Party shall:
  - (a) give the other Party, if possible, the opportunity to participate in quashing, modifying or otherwise responding to any compulsory process in an appropriate and timely manner; and
  - (b) cooperate fully with the other Party's efforts to narrow the scope of any such compulsory process, to obtain a protective order limiting the use or disclosure of the information sought, or in any other lawful way to obtain continued protection of the Confidential Information.
- 9.6 If either Party becomes aware of the loss, theft or misappropriation of Confidential Information, which is in its possession or control, it shall notify the other Party in writing within seven (7) days of its discovery of such loss, theft or misappropriation.
- 9.7 The rights and duties of this Section 9 shall survive the termination of this Agreement, whether upon expiration or termination by either Party.

## **10. TERM AND TERMINATION**

- 10.1 This Agreement shall be effective September 29, 2017 and shall continue unless otherwise terminated as provided in this Section 10.2, or by mutual written consent of the Parties hereto.
- 10.2 Either Party may terminate this Agreement at any time as follows:
- 10.2.1 By either Party, effective immediately, in the event that the other Party should fail to materially perform any of its material obligations under this Agreement and should fail to remedy such failure within sixty (60) calendar days after receiving written demand to remedy such failure.
- 10.2.2 By either Party, upon thirty (30) days' written notice if a force majeure event described in Section 14.1 shall have occurred and continue for ninety (90) days.
- 10.2.3 By either Party, at any time if the other Party should become the subject of any voluntary or involuntary bankruptcy, receivership or other insolvency proceedings or make an assignment or other arrangement for the benefit of its creditors, or if such other Party should be nationalized or have any of its material assets expropriated.
- 10.3 This Agreement may also be terminated by mutual agreement of the Parties.
- 10.4 Upon termination of this Agreement for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to the effective date of such termination; and Sections, 9, 11, and 13 shall survive any such termination. Ovation and any Sub-Licensee of Ovation may, however, for up to six (6) months after the effective date of such termination, sell all Products, and complete Products in the process of manufacture at the time of such termination and sell the same.
- 10.5 Upon termination of this Agreement for any reason, any Sub-Licensee not then in default shall have the right to seek a license from Skinvisible. Skinvisible agrees to negotiate such licenses in good faith under reasonable terms and conditions.

## **11. EFFECT OF TERMINATION**

The rights, duties and obligations of the Parties upon and following the expiration or termination of this Agreement however occurring shall be governed by the following provisions:

- 11.1 The termination of this Agreement shall not release or affect, and this Agreement shall remain fully operative as to, any obligations or liabilities incurred by either Party prior to the effective date of such termination;
- 11.2 Skinvisible, subject to its production capabilities, shall fill all orders submitted by Ovation during the term of this Agreement regardless of whether any of the Polymer in such orders is to be delivered after the expiration or termination of this Agreement. During such period of time that Skinvisible is filling such orders, all terms of this Agreement shall apply between the Parties with respect to such production; and
- 11.3 Notwithstanding the provisions of Section 13 hereof, Skinvisible shall, by reason only of the expiration or termination of this Agreement in accordance with the terms of this Agreement, be liable in any manner whatsoever to Ovation for any damage of

any kind whether direct, indirect or consequential, or for any profits on anticipated sales, or for any expenditures or investments; and

- 11.4 Upon the effective date of termination of this Agreement, the Parties hereto acknowledge that the provisions set forth in Section 2 herein will no longer be in effect and that any limitations on the Parties pertaining to sales and marketing and potential customers are dissolved and the Parties are free to contract with any third party for future business; and
- 11.5 Termination or expiration of this Agreement for any reason shall not relieve the Parties of their obligations under Sections 9,11,12, and 13 of this Agreement.

## **12. WARRANTY AND REPRESENTATIONS**

- 12.1 As an essential term of this Agreement, each Party hereby warrants and represents to the other Party that it is entitled to disclose to and license the other Party to use its Confidential Information, Improvement Inventions, and Patents under the terms of this Agreement without violating the trade secret or contractual rights of any third party.
- 12.2 Except as set forth in Section 12.1 or as otherwise specifically stated herein, the Parties expressly disclaim all warranties, express or implied, including without limitation, warranties of merchantability, fitness or a particular purpose, patent validity, or non-infringement of a third-Party patent or other intellectual property rights regarding the use or commercialization of product, confidential information, improvement inventions, or patents.

## **13. INDEMNIFICATION**

- 13.1 Each Party shall indemnify, defend and hold harmless the other Party from any and all claims, costs, liabilities, or damages (including reasonable attorney's fees) arising from its:
- 13.1.1 Uncured material breach of this Agreement;
- 13.1.2 Breach of any Warranty or Representation provided pursuant to Section 12;
- 13.1.3 Grossly negligent or willful acts or omissions. Each Party shall be responsible for any and all damages that it is subjected to by means of its own grossly negligent or willful acts or omissions.
- 13.2 In the event a third-party lawsuit is filed against a Party (the "Indemnitee") due to the grossly negligent, or wilful actions or omissions of the other Party (the "Indemnitor"), then the Indemnitee shall promptly provide notice of such suit to the Indemnitor, and permit the Indemnitor to control its defense, including the terms under which any such suit is settled. The Indemnitee shall provide all reasonable cooperation to the Indemnitor at the Indemnitor's expense in the defense of that suit.
- 13.3 Provided Ovation gives Skinvisible prompt written notice of any claim, Skinvisible will indemnify, defend and hold Ovation harmless from any and all claims, suits, actions, proceedings, costs and expenses, including reasonable attorney fees and expenses, incurred by Ovation arising from any claim by a third party that the Confidential Information, Improvement Inventions and Patents of Skinvisible



included in this Agreement infringe on the proprietary rights of a third party. The defense and settlement of any such claim will be the sole responsibility of Skinvisible.

#### **14. MISCELLANEOUS PROVISIONS**

- 14.1 Neither Party shall be in default hereunder by reason of any failure or delay in the performance of any obligation under this Agreement where such failure or delay arises out of any cause beyond the reasonable control and without the fault or negligence of such Party. Such causes shall include, without limitation, storms, floods, other acts of nature, fires, explosions, riots, war or civil disturbance, strikes or other labor unrests, embargoes and other governmental actions or regulations which would prohibit either Party from ordering or furnishing the Polymer or Product, or from performing any other aspects of the obligations hereunder, delays in transportation, and inability to obtain necessary labor, supplies or manufacturing facilities.
- 14.2 Each and every right and remedy hereunder is cumulative with each and every other right and remedy herein or in any other agreement between the Parties or under applicable law.
- 14.3 Each Party hereby acknowledges receipt of a signed copy of this Agreement.
- 14.4 Nothing contained in this Agreement shall create or shall be construed as creating a partnership, a joint venture, agency or employment relationship between the Parties. The Parties agree to perform their obligations in accordance with this Agreement at arms' length and only as independent contractors. Neither Party has the right or authority to assume nor create any obligations or responsibilities, express or implied, on behalf of the other Party, and neither Party may bind the other Party in any manner or thing whatsoever. Neither Party shall be liable, except as expressly provided otherwise in this Agreement, for any expenses, liabilities or other obligations incurred by the other.
- 14.5 Skinvisible and Ovation each represent and warrant to the other that it is duly organized, validly existing and in good standing under the laws of the State, Province, or Country (as applicable) in which incorporated, and that it has full corporate power and authority to carry on the business presently being conducted by it and to enter into and to perform its obligations under this Agreement.
- 14.6 Skinvisible and Ovation each represent and warrant to the other that it has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of each Party's respective obligations hereunder. Each Party's officer executing this Agreement on its behalf has the legal power, right and authority to bind the Party to the terms and conditions of this Agreement, and when he or she executes and delivers this Agreement and any instruments contemplated herein, he or she will have the power, right and authority to bind the Party thereto.
- 14.7 All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopy, facsimile transmission or other electronic means of transmitting written documents with confirmation of receipt; or (c) sent to the Parties at their respective addresses indicated herein by registered or certified mail, return receipt requested and postage

prepaid, or by private overnight mail courier services with confirmation of receipt. The respective addresses to be used for all such notices, demands or requests shall be as set forth on page 1 hereof or to such other person or address as either Party shall furnish to the other in writing from time to time. If personally delivered, such communication shall be deemed delivered upon actual receipt by the "attention" addressee or a person authorized to accept for such addressee; if electronically transmitted pursuant to this paragraph, such communication shall be deemed delivered the next business day after transmission (and sender shall bear the burden of proof of delivery); if sent by overnight courier pursuant to this paragraph, such communication shall be deemed delivered upon receipt by the "attention" addressee or a person authorized to accept for such address; and if sent by mail pursuant to this paragraph, such communication shall be deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service, or, if the addressee fails or refuses to accept delivery, as of the date of such failure or refusal. Any Party to this Agreement may change its address for the purposes of this Agreement by giving notice thereof in accordance with this Section 14.7.


- 14.8 This Agreement may not be amended or modified otherwise than by a written agreement executed by the Parties hereto or their respective successors and legal representatives.
- 14.9 This Agreement is not intended, nor shall it be construed, to confer upon any person except the Parties hereto and its successors and permitted assigns any rights or remedies under or by reason of this Agreement, except as contemplated herein.
- 14.10 This Agreement and all matters arising under or growing out of or in connection with or in respect of this Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.
- 14.11 The headings in this Agreement are inserted for convenience only and shall not constitute a part hereof.
- 14.12 Each provision contained in this Agreement is declared to constitute a separate and distinct covenant and provision and to be severable from all other separate, distinct covenants and provisions. In any provision of this Agreement is or becomes invalid, illegal, or unenforceable in any jurisdiction, such provision shall be deemed amended to conform to applicable laws as to be valid and enforceable or, if it cannot be so amended without materially altering the intention of the Parties, it shall be stricken and the remainder of this Agreement shall remain in full force and effect.
- 14.13 No waiver of a breach of any provision of this Agreement shall be deemed to be, or shall constitute, a waiver of a breach of any other provision of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver of such breach unless otherwise expressly provided in such waiver.
- 14.14 Skinvisible may assign, transfer, or convey its manufacturing obligations to third parties who shall be bound by the same standards as Skinvisible.
- 14.15 All prices quoted in this Agreement are exclusive of all applicable sales, use or other excise taxes (including sales tax and goods and services tax). Ovation is responsible for all taxes and similar charges customary for a buyer of Product and services as herein contemplated.

- 14.16 Ovation agrees to mark the Products sold in the Territory with all applicable Patent numbers. All Products shipped to or sold in other countries shall be marked in such a manner as to conform with the patent laws and practice of the country of manufacture or sale.
- 14.17 All disputes, claims or controversies arising out of or relating to this Agreement, or the breach, termination or invalidity hereof, shall be finally settled in United States under the Rules of Commercial Arbitration of the American Arbitration Association by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall take place in Las Vegas, Nevada.
- 14.18 The Parties agree to execute such documents, make such filings and take such actions as may be reasonably necessary at the request of the other Party to give full force and effect to the provisions hereof.
- 14.19 This Agreement may be executed in one or more counterparts, each of which when taken together shall constitute one and the same instrument. This Agreement may be delivered by personal delivery or facsimile transmission.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first written above.

Skinvisible PHARMACEUTICALS, INC.

By:



Name: Terry Howlett  
Title: President / CEO  
Date: 09 / 29 / 17

and OVATION SCIENCE INC.

By:



Name: Logan Anderson  
Title: President  
Date: 09 / 29 / 17

## SCHEDULE A

### TERMS AND CONDITIONS OF POLYMER ORDERS

1. The Polymer shall be sold to Ovation by Skinvisible at the pre-determined prices set forth in Schedule B hereto. Ovation does not receive any payment or make any claim for revenue whatsoever based on any sale of Polymer. Any change in the price of the Polymer shall not affect orders by Ovation that were accepted by Skinvisible prior to such change. As business conditions warrant, Skinvisible shall have the unrestricted right to change the price of the Polymer, provided that the increase is directly attributable to higher costs of raw materials, other manufacturing costs, or an increase in the Cost of Living Index, and that Skinvisible provides Ovation ninety (90) days prior written notice of any such price increase before it becomes effective. Furthermore;
2. Ovation shall pay for all orders for Polymer by electronic bank transfer in favor of Skinvisible.
3. Except as provided in Section 7.2, the purchase price for each order of Polymer as evidenced by invoice to Ovation must be paid by Ovation prior to shipment of the Polymer, with 50% due with order verification by Skinvisible and the balance due upon notification of shipment and Ovation shall incur all shipping, duties, custom clearance expenses and packaging costs.
4. Ovation shall submit a written purchase order to Skinvisible specifying the amount of Polymer required. Skinvisible agrees to provide an acceptance of an order within five (5) business days after receiving a written purchase order from Ovation. In the unforeseen event that raw materials are not available from suppliers due to shortages or unforeseen events, Ovation will be informed in writing of any delays within five (5) business days of receipt of the purchase order.
5. All of the Polymer ordered by Ovation shall be shipped within eight (8) weeks from the date the acceptance of an order has been delivered to Ovation and shall carry an expiration date balance of a minimum of six months. All Polymer orders must be shipped within five (5) business days of notification that the Polymer is ready for delivery. Delivery of all Polymer sold by Skinvisible to Ovation shall be F.O.B. US, the place of Polymer manufacture. The method and route of shipment shall be at the sole discretion of Ovation subject to Skinvisible's guidelines for the method and conditions of shipment which would provide for arrival of the Polymer at Ovation's point of delivery in substantially the same condition as such Polymer were at the point of shipment. These guidelines include conditions regarding temperature (which shall not exceed at a maximum of 45 degrees Celsius and at a minimum of 4 degrees Celsius) to preserve the quality and integrity of the Polymer during shipment. Failure of Ovation to abide by Skinvisible's guidelines in the shipment of the Polymer shall bar Ovation from making any claim whatsoever against Skinvisible arising from any defect in the Polymer which occurred or arose during shipment. Nothing in this section shall mean or be implied to mean that there is any shifting of the risk of loss of goods to Skinvisible once such goods are placed in the control of Ovation's carrier. All such risk of loss is borne by Ovation once the Polymer to be shipped has been placed in the control of the carrier.
6. Title to the Polymer shall pass from Skinvisible to Ovation once the Polymer has been placed in the control of Ovation's recognized commercial carrier of the Polymer for shipment to Ovation or approved manufacturer.
7. Skinvisible shall deliver the Polymer to Ovation free and clear of all liens, encumbrances and security interests and shall not, without the prior written consent of Ovation: (a) transfer, deliver or otherwise provide the Polymer as listed in the written purchase order submitted by Ovation to any other person or entity; or (b) assign any rights to the Polymer as listed in the written order submitted by Ovation to any other person or entity.
8. Prior to receiving an acceptance of the written order from Skinvisible, Ovation may cancel any order at any time, with or without cause, and Ovation's liability for such cancellation shall be limited to Skinvisible's out-of-pocket costs and expenses incurred for such cancelled order.

9. Ovation shall give notice to Skinvisible of any claims relating to the non-conformity of Polymer. Ovation shall make all claims with respect to the Polymer as follows:

a) Any claim that a shipment contains a shortage of Polymer or other error in delivery, where the fault lies with Skinvisible and not Ovation's carrier, must be made by Ovation to Skinvisible in writing within five (5) days from the date of delivery to Ovation's manufacturer of such shipment of Polymer together with a reasonable description of the delivery error. Ovation's failure to make a claim in accordance with the foregoing sentence shall constitute agreement by Ovation that there was no error in delivery. Provided that Ovation makes a claim in accordance with this Section 9.a) and proves that the shipment contained a shortage of Polymer or other error in delivery, Skinvisible, at Ovation's option, shall deliver to the Customer to such location(s) previously designated by Ovation, at Skinvisible's risk and cost and expense, the number of Polymer in shortage in such shipment, or credit Ovation the amount of such shortage.

9.1. In the event that Ovation claims that upon delivery any of the Polymer is non-conforming because the Polymer is not consistent with the Certificate of Analysis, Ovation may reject the same, provided that:

- a) within ten (10) days after receipt by Ovation of such shipment of Polymer, and Ovation notifies Skinvisible in writing of the nonconformity;
- b) Ovation sends the Polymer out for further review and inspection and it is determined that the Polymer are not consistent with the Certificate of Analysis;
- c) Ovation returns to Skinvisible, at Skinvisible's request and expense, the rejected Polymer or shipment, subject to the terms and conditions hereinafter provided, within five (5) days after Ovation receives notice that the further review and inspection of the Polymer found the Polymer to be inconsistent with the Certificate of Analysis, and none of the Polymer has been changed from its original condition.
- d) Ovation's failure to make a claim in accordance with the foregoing sentences in this Section 7.2 shall constitute unqualified acceptance of all shipments and Polymer.

10. Following receipt of the rejected Polymer under this Section 7.2, Skinvisible shall ship Polymer consistent with the Certificate of Analysis within twenty-one (21) days of Skinvisible receiving notification from Ovation and determining that replacement is required. Provided that the rejected Polymer has been rejected by Ovation in accordance with the terms of this Section 7.2 and are proved to have been non-conforming, then Skinvisible shall credit Ovation for the cost of the Polymer and all costs and expenses incurred by Ovation in shipping the rejected Polymer back to Skinvisible, if such Polymer return requested is made by Skinvisible to Ovation. Ovation shall pay the costs of the conforming Polymer within thirty (30) days after receipt by Ovation.

11. The warranty for defective Polymer of Skinvisible as from time to time in effect shall be applicable to all sales of the Polymer by Skinvisible to Ovation. Notwithstanding the provisions of Section 12 hereof, Skinvisible shall have no obligation or liability to Ovation for any loss, damage or expense of any kind caused directly or indirectly by the Polymer or the use, maintenance, repairs or adjustments of or to the Polymer except as may be provided in such warranty.

12. Ovation agrees to purchase Invisicare from Skinvisible as per the terms and conditions here within including:

- a) Pricing subject to change as per terms of the Agreement;
- b) Minimum order = one (1) pail (17.7 kgs each) per type of Polymer;
- c) Pricing as defined below refers to pricing for the following types of Polymer: M1, M1-H2, C5 and PQ44T, all other or new Invisicare Polymers will be priced on an as needed basis;
- d) Current volume pricing for Invisicare® is as follows

| Polymer PRICING: | Price per Pail (USD) |
|------------------|----------------------|
|------------------|----------------------|

## SCHEDULE B

### TRADEMARK LICENSE AGREEMENT

BY AND BETWEEN;

**SKINVISIBLE PHARMACEUTICALS, INC.**, a company incorporated under the laws of the State of Nevada having its principal place of business located at - 6320 South Sandhill Road, Suite #10, Las Vegas, Nevada, 89120 ("Skinvisible");

AND

**OVATION SCIENCE INC.**, a British Columbia company having its registered office at Suite 704, 595 Howe Street, Vancouver, BC V6C 2T5, ("Ovation").

WITNESSETH:

WHEREAS, Skinvisible is the owner of the trademark Invisicare®, which is the subject of U.S. Registration No. 2,663,235 issued on December 17, 2002 for "excipients, namely, polymers for use in the manufacture of topically applied pharmaceuticals, cosmetics, and skincare Products in classes 1, 5, 6, 10, 26 and 46." Skinvisible also holds other trademarks and website urls which Ovation may seek to use (collectively "Trademark(s)");

WHEREAS, Ovation desires to obtain a license to use the said Trademarks in connection with the advertising, marketing, distribution, and sale of Skinvisible's Products within the Territory under the terms and conditions of the licensing Agreement between the Parties of even date herewith ("Licensing Agreement"), as such Products and Territory terms are defined therein; and

WHEREAS, Skinvisible is willing to permit Ovation to use the Trademarks under the terms and conditions of this Trademark License Agreement.

NOW, THEREFORE, in consideration of the mutual undertakings and obligations herein contained, the Parties agree as follows:

1. Skinvisible hereby grants to Ovation, subject to all the terms and conditions herein contained, a non-exclusive, royalty-free, non-transferable license to use the Trademarks for the sole purpose of manufacturing, advertising, marketing, distributing, and selling the Product within Territory strictly in accordance with the terms and conditions of the Licensing Agreement.
2. Ovation agrees that it will use the Trademarks on the Product or on the packages for such Product, but only on the Product which is produced and packaged in strict compliance with the standards and directions laid down in writing by Skinvisible, and further agrees that it will use the Trademarks only on or in connection with Product which meets or exceeds Skinvisible's standards.

3. Skinvisible shall have the right at all reasonable times to inspect and examine the methods, processes, containers, and materials used by Ovation in producing the Product on which Ovation uses the Trademarks, and to request samples of such Product and associated materials, and Ovation agrees to permit such inspections and examinations and to furnish such samples.
4. Ovation shall have the right to refer to the Trademarks in advertising and promotional literature and the like, as well as on labels for the Products sold under the Trademark. Ovation agrees that, on each label, advertisement, or other piece of material bearing the Trademark, such Trademark shall be conspicuously displayed and shall be keyed by a footnote reading ""Trademark" is a registered trademark used under license from Skinvisible Pharmaceuticals, Inc." Ovation further agrees that all labels, advertising, and other materials in which the Trademark is used, and which have not been supplied to Ovation by Skinvisible, must have the prior approval of Skinvisible, and Ovation agrees to submit samples of all such labels, etc. to Skinvisible prior to use.
5. Ovation acknowledges Skinvisible's exclusive ownership of all right, title, and interest in and to the Trademarks, and agrees that Ovation's use of the Trademarks shall inure to the benefit of Skinvisible. Ovation further agrees that it will in no way dispute, impugn, or attack the validity of said Trademarks or rights thereto.
6. The term of this Trademark License Agreement shall be the same as the term set forth in Section 10 of the Licensing Agreement. Once Ovation ceases to distribute and sell the Product, it shall immediately stop using the Trademark.
7. If, at any time, Ovation should use the Trademarks for goods not produced in accordance with the standards and directions laid down by Skinvisible, or for goods not meeting the quality standards set forth in the Licensing Agreement, or if, at any time, Ovation breaches any other provision of this Trademark License Agreement or fails to observe any of its obligations hereunder, then the license granted herein shall terminate thirty (30) days after receipt of written notice from Skinvisible to that effect, provided that Ovation has not cured any breach or default to the satisfaction of Skinvisible by the end of said thirty (30) day period.
8. This Trademark License Agreement may not be assigned or otherwise transferred by Ovation (by operation of law or otherwise) to any entity without prior written consent of Skinvisible which will not be unreasonably withheld.
9. Ovation agrees to notify Skinvisible immediately of any apparent infringement of the Trademarks. Skinvisible shall take such action regarding such infringement as it deems, in its sole discretion, to be necessary or desirable, and Ovation agrees to cooperate therein.