

# **MASTER SERVICES AGREEMENT**

**THIS MASTER SERVICES AGREEMENT**, including all schedules attached hereto (the "Agreement), is made as of the 17th of April, 2019 (the "Effective Date").

BETWEEN:

NATIVE ADS, INC., a Delaware Corp. with its registered office located 244 Fifth Avenue, Suite N-249 New York, N.Y. 10001 USA ("Native Ads")

AND:

BEV CANNA ENTERPRISES INC., a British Columbia Corp. with its registered office located at 1672 West 2<sup>rd</sup> Avenue Vancouver, BC V6J 1H4 (the "Client")

(Native Ads and Client are sometimes referred to collectively as the "Parties" and each, as a "Party")

#### WHEREAS:

 A. Native Ads is in the business of providing strategic digital media services, marketing and data analytics services;

and

B. Client wishes to obtain strategic digital media services, marketing and data analytics services from Native Ads and this Agreement, along with one or more specific work orders in the form of Schedule "B" (each, a "Work Order") set forth the terms and conditions which will govern the Client's ongoing relationship with Native Ads.

WHEREFORE, IN CONSIDERATION of the premises herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged, each of the Parties who have executed this Agreement in Part A below agree to all of the terms and conditions set out in Schedules "A" and "B", attached hereto.

#### PARTA

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

NATIVE ADS, INC.

BEV CANNA ENTERPRISES INC.

Per: Jon Malach

Peri

"Jon Malach"

"Marcello Leone"

**Authorized Signatory** 

Authorized Signatory



# SCHEOULE "A" Terms and Conditions

- Scope of Services: Native Ads shall perform strategic digital media services, marketing and data analytics services including but not limited to the services described in each Work Order (the "Services").
- 2. Binding Agreement and Work Orders: This Agreement between the Parties shall constitute a binding agreement, the terms and conditions of which shall apply to each Work Order or addenda to any Work Order. A Work Order shall be binding upon the Client when such Work Order is executed by both Native Ads and the Client. In the event of any inconsistency between the terms of a Work Order and this Agreement, the terms of the Work Order shall prevail.
- Service Descriptions. In addition to any descriptions of Services set forth in a Work Order, certain Services that may be listed from time to time in a Work Order are described as follows:
  - (a)Content Development: Content Creation; Video Production, Video Editing, Image Curation (b)Web Development: Website creation, Landing Page creation, Software Setup and configuration
  - (c) Media Buying & Distribution: Digital Advertisement Placement, Sponsored Article Placement, Native Advertisement Distribution, Display Advertisement Distribution, Video Advertisement Distribution, Email Distribution, Push Notification Distribution, Search Engine Marketing.
  - (d)Campaign Reporting & Optimization: Analytical Reporting, Campaign Bidding Adjustments, Campaign Schedule Adjustments, and Campaign Budget Allocation Adjustments.
- Third Party Service Providers. The Client acknowledges and agrees that during the course of providing the Services, Native Ads may use the services of carefully chosen certain third parties, and accordingly, the Client agrees to provide Native Ads with any additional information or materials required by such third parties to provide their services..
- 2. Term. Subject to section 31, the term for this Agreement shall be from the Effective Date to the date of the campaign's conclusion. Both parties understand and agree that the end date may be rescheduled after the campaign commences, and shall be defined during the campaign over electronic or telephone correspondence, or based on the campaign's budget exhaustion.
- 3. Billing and Payment Terms: Native Ads shall be paid for the Services pursuant to the rate and other particulars set forth in the Work Order. If any invoice is not paid by the Client within seven (7) days of the date of such invoice, Native Ads may suspend its performance under the Work Order without liability or penalty at its sole discretion. Interest shall accrue on the balance of any overdue invoice at a rate equal to one and one half percent (1.5%) per month or eighteen percent (18%) per annum. Native Ads may also impose a late payment penalty equal to five percent (5%) of any overdue balance. The Client and its principals shall bear Native Ads' costs of collection, including reasonable attorney's fees, court costs and related expenses.



## 7. Representations and Warranties:

- (a) The Parties represent and warrant that: (i) they are companies duly organized and in good standing within their respective jurisdictions (ii) this Agreement has been duly authorized, executed and delivered; and (iii) this Agreement, when executed does not violate any existing agreements to which the Parties are otherwise bound.
- (b) Additionally, the Client warrants and represents to Native Ads that with respect to any information or materials provided by the Client to Native Ads, including, without limitation, any intellectual property of any kind (the "Materials"), the Materials nor any part thereof violate or will violate, or infringe or will infringe, any trademark, trade name, contract, agreement, copyright (whether common law or statutory), patent, literary, artistic, dramatic, personal, private, civil, or property right or right of privacy or "moral right of author", or any law or regulation or other right whatsoever of any person, firm, corporation or association.
- 8. Confidentiality. During the course of providing Services throughout the term of this Agreement, each Party shall come into possession of confidential materials and proprietary information that pertains to the other Party's business. Such information includes, but is not limited to product samples, marketing strategies, business processes, client lists, prospect lists, member names and other database information, marketing records and procedures. Such information is hereby deemed the exclusive property of the disclosing Party and shall not be divulged, utilized, or made accessible to any third Party except as is required to perform the services covered under the terms of this Agreement. The receiving Party shall return Confidential Information to the disclosing Party upon the completion of services or if requested in writing by the disclosing Party. It is further expressly understood that all information relating to Native Ads industry contacts, processes, systems, data collection, methodologies and analytic reports and procedures used to support the Services described in this Agreement are confidential and belong exclusively to Native Ads and may not be copied or made available to any third Party, individual, organization or business without the consent of Native Ads. These obligations with respect to confidential information, shall survive the termination of this Agreement. Neither Party shall be held responsible for similar information, already in the public domain or be held responsible for any similar information that may enter the public domain through no fault of the other Party.
- 9. Ownership of Work Product. As part of the Services, Native Ads may create or cause to be created content in a variety of media formats for the benefit of Client. Subject to restrictions noted below, Native Ads agrees and acknowledges that images, logos, trademarks, slogans, artwork, videos, written materials, drawings, photographs that are created specifically as part of this content for the Client by Native Ads (or caused to be made for Native Ads by its contractors) under this Agreement and accepted by the Client (collectively the "Content Work Product") are the property of the Client. However, the Client agrees and acknowledges that some aspects of intellectual property used in connection with the Services provided to the Client may be subject to copyright, trademark, patent, or similar protection owned and/or controlled and/or licensed by Native Ads, (collectively the "Intellectual Product"). To the extent any part of the Content Work Product is either owned by Native Ads or licensed to Native Ads by a third party for Native Ads's use and enjoyment, Native Ads shall retain all rights, title, and interest in and to the licensed portion of the Content Work Product and to any modifications or improvements made thereto and Native Ads may use such parts of



Content Work Product as part of its services to other (non-Client) parties. For greater clarity, it is understood that Native Ads may, on occasion, use licensed materials from third parties or its own Intellectual Product for inclusion in Content Work Product. In such circumstances, ownership of such licensed materials remains with the licensor or with Native Ads, as the case may be, at the conclusion of the term of the license and does not belong to the Client.

- 10. Acceptance of Content Work Product. After review of Native Ads's Content Work Product, the Client shall provide Native Ads with acceptance of the Content Work Product. Client shall have three (3) business days to approve such Content Work Product. After the expiration of three (3) business days, Native Ads will make a second request for approval for response due in twenty-four (24) hours. If no response is received to the second request within twenty-four (24) hours, then the Client shall be deemed to have approved such Content Work Product. It is understood that Native Ads shall not be obligated to make an independent investigation of any information provided by the Client and that Native Ads shall have the right to rely exclusively upon the accuracy of all statements (financial, reporting and otherwise), information and documents provided by the Client to Native Ads.
- 11. Grant of License to Content Work Product Native Ads grants the Client a limited, non-exclusive right to use any aspect of the Content Work Product not owned by the Client, <u>but only</u> for the uses associated with the projects described in a Work Order, agreed by the Parties, and only in the event the following conditions are met: (1) such Content Work Product is accepted in writing by the Client; (2) Client pays all fees and costs associated with creating and, where applicable, producing such Content Work Product.
- 12. Indemnification & Liability-Native Ads: Native Ads shall indemnify, defend and hold harmless Client, its parents, subsidiaries and affiliates, their respective members, directors, officers, employees, agents, attorneys, affiliates, successors, and assigns from all claims, losses, liabilities, damages, suits, actions, government procedures, taxes, penalties or interest, associated auditing and legal expenses and other costs incurred by Client (including reasonable attorneys' fees and costs of suit), arising from Native Ads': (a) material breach of its duties hereunder; (b) misrepresentation or breach of any representation, warranty, obligation or covenant of this Agreement.
- 13. Indemnification & Liability-Client: The Client shall indemnify, defend and hold harmless Native Ads, its parents, subsidiaries and affiliates, their respective directors, officers, employees, agents, attorneys, affiliates, successors, and assigns from all claims, losses, liabilities, damages, suits, actions, government procedures, taxes, penalties or interest, associated auditing and legal expenses and other costs incurred by Native Ads (including reasonable attorneys' fees and costs of suit), which in any way arise out of: (a) Client's instructions to Native Ads regarding performance of Native Ads' duties hereunder; (b) Client's misrepresentation or breach of any representation, warranty or covenant of this Agreement.
- 14. Limitation of Liability. The Client acknowledges and agrees that Native Ads has not and will not made any formal inquiries into whether its provision of any Services or Work Product will violate any applicable securities legislation or other laws of any nature and kind and Native Ads shall not be liable for any claims or losses of any kind relating to any violation or infringement of the aforementioned laws. It is intended that the foregoing limitations apply to any and all liability or cause of action however alleged or arising.



- 15. Native Ads' Freedom to Work. The Client acknowledges that Native Ads and any affiliates are in the business of providing strategic digital media content, marketing and data analytics services to others. Nothing herein contained shall be construed to limit or restrict Native Ads in conducting such business with respect to others, or in rendering such advice to others. Native Ads shall perform its services hereunder as an independent contractor and not as an employee of the Client or affiliate thereof. It is expressly understood and agreed to by the Parties hereto that Native Ads shall have no authority to act for, represent or bind the Client or any affiliate thereof in any manner, except as may be agreed to expressly by the Client in writing from time to time, and as necessary to complete a Work Order.
- 16. Binding Effect: The provisions of this Agreement shall be binding upon and accrue to the benefit of the Parties and their respective heirs, legal representatives, successors and assigns. Neither Party shall assign this Agreement without the express written consent of the other Party.
- 17. Headings. The headings in this Agreement are solely for the convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.
- Amendment: Only a written instrument signed by the Parties hereto may amend this Agreement.
- 19. Applicable Law: This agreement is governed by the laws of the State of California. This Agreement is deemed to be executed in the State of California, which shall be the sole venue for any causes of action arising from this Agreement.
- 20. No Solicitation. During the term of this Agreement and for a period of two (2) years thereafter, the Parties agree not to solicit the services of, either as an employee or contractor, any employee, data source, contractor, partner or affiliate of the other Party who became known to the other Party as a result of performing duties under this Agreement.
- 21. Enforcement: The failure of either Party to insist upon strict performance of a provision or to exercise any right hereunder shall not be construed as a waiver of such Party's right to rely on such provision or assert any such right in that or any other instance.
- 22. Survival: The obligations contained in paragraphs 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 14 of this Schedule "A" to this Agreement, along with any Indemnification provisions of any kind set out in this Agreement (including any Work Order) shall survive the termination of this Agreement for a period of five (5) years.
- 23. Waiver. Any delay, waiver, or omission by the Client or Native Ads to exercise any right or power arising from any breach or default of the other Party in any of the terms, provision, or covenants of this Agreement shall not be construed to be a waiver by Client or Native Ads of any subsequent breach or default of the same of other terms, provisions, or covenants on the part of the other Party.
- 24. Counterparts: This Agreement and any Work Order thereunder may be executed in counterparts, each of which shall be deemed one and the same instrument. A facsimile/ email



- transmission of this Agreement and any Work Order thereunder bearing a Party's signature shall be legal and binding on such Party.
- 25. Severability: The invalidity or illegality of any portion of this Agreement shall not affect the validity or legality of any other provisions.
- 26. Relationship: Neither Party shall be or represent itself to be an agent, employee or joint venture of the other, nor shall either Party have or represent itself to have any power or authority to act for, bind or commit the other.
- 27. Notices: All notices and other communications provided from herein shall be in writing and shall be deemed to have duly given if delivered by hand or sent by registered or certified mail or email with receipt, to the Party to whom it is directed.
- 28. Uncontrollable Events (Force Majeure). No Party shall be liable for any delay or failure in its performance of any of the acts required by this Agreement when such delay or failure arises for reasons beyond the reasonable control of such Party. The time for performance of any act delayed by such causes shall be postponed for a period equal to the delay; provided, however, that the Party so affected shall give prompt notice to the other Party of such delay and the reasons for such delay. The Party so affected, however, shall use its best efforts to avoid or remove such causes of non-performance and to complete performance of the act delayed, whenever such causes are removed.
- 29. Additional Assurances and Documents. The Parties further agree to execute, acknowledge and deliver to each other, or procure the execution, acknowledgment and delivery to each other of any and all further assignments and other instruments, in form approved by counsel for each of the Parties, acting reasonably, necessary or expedient to carry out and effectuate the purposes and intent of the Parties as herein expressed.
- 30. Entire Agreement. This Agreement, the attached Schedules "A" and "B" and any Work Orders created pursuant to this Agreement, along with any schedules or appendices attached thereto, if any, contains the entire agreement between the Parties respecting the subject matter, and supersedes all other agreements whether written, or oral between the Parties, it being expressly understood that there are no other representations, terms, warranties, conditions, guarantees, promises, agreements, collateral contracts or collateral agreements express or implied, or statutory, other than those contained in this Agreement and that this Agreement represents the whole of the Agreement between the Parties, and no alteration, modification or amendment hereof shall be binding unless made in writing and signed by the Parties hereto.



# SCHEDULE "B" Form of a Work Order

Description of Services: Content Development

#### Deliverables:

- Sponsored Article Development
- Banner Ad Creative Development

- Social Ad Creative Development
- · Native Ad Creative Development

Description of Services: Web Development

#### Deliverables:

 Campaign Analytics Setup & Configuration Content optimisation & multi-variant testing infrastructure setup

Description of Services: Media Buying & Distribution

## Deliverables:

- Sponsored Article Placement on Select Direct Publisher Sites
- Programmatic Display Ad Distribution
- Ticker Tagging Campaigns
- Retargeted Display Ad Distribution
- Advanced News Dissemination
- Sponsored Content Recommendation Distribution on Select Publisher Categories
- Push Notification Content Distribution

- Adhesion Banner Ad Units on Select Direct Publisher Sites
- Instream Native Ad Units on Select Direct Publisher Sites
- Programmatic Native Ad Distribution
- Sponsored Social Media Post Distribution
- Retargeted Social Ad Distribution
- Select Publisher Reader list email distribution



Description of Services: Campaign Reporting & Optimization

#### Deliverables:

- Analytical Reporting Services
- Campaign Statistics Processing & Analysis
- Campaign Budget Allocation Adjustments

- · Campaign Bidding Adjustments
- Campaign Schedule Adjustments
- Campaign Insights & Recommendations

#### Term and Timeframe:

Total Payment: \$300,000 CAD

The campaign is intended to commence immediately following the Client's successful listing on the CSE, and continue for a period of 2 weeks of intensive digital distribution, followed by a drip campaign that will continue until budget exhaustion. The start period is believed to be in the first or second week of June 2019.

The exact start and end dates will be determined, agreed upon, and documented via electronic communication for both parties' records.

Native Ads will manage the communication strategy with all its publisher partners, network partners, content developers, and all relative parties to ensure the dynamic start date is not a disruption to the success of the campaign launch.

Payment Schedule:	
•\$100,000 CAD due April 19th 2019 •\$100,000 CAD due May 5th 2019 •\$100,000 CAD due May 25th 2019	
Sign-off:	
NATIVE ADS, INC.	BEV CANNA ENTERPRISES INC.
Per: Jon Malach "Jon Malach"	Per:_ "Marcello Leone"
Authorized Signatory	Authorized Signatory