

Contractor's reg. No.

Customer's reg. No.

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Contract for Research Cooperation

Parties:

JFE Steel Corporation

Registered seat: 2-3, Uchisaiwai-cho 2-chome, Chiyoda-ku, Tokyo 100-0011, Japan, registered at Tokyo Legal Affairs Bureau

Represented by: Koji Kakigi, President and CEO

Entered in: a corporation duly organized under the laws of Japan

Bank details:

Branch:

Account No.:

Swift Code:

Authorized to act in technical matters:

(for the purposes of this Contract, the "Customer")

Institute of Scientific Instruments of the CAS, v. v. i.

Registered seat: Královopolská 147, 612 64 Brno, Czech Republic

Id. No.: 68081731

VAT reg. No.: CZ68081731

Represented by: Ing. Ilona Müllerová, DrSc., Director

Entered in: The contractor is a public research institution established pursuant to Act No. 341/2005 Coll. by the Academy of Sciences of the Czech Republic

Bank details:

Account No.:

Authorized to act in technical matters:

(for the purposes of this Contract, the "Contractor")

have entered into this Contract for Research Cooperation pursuant to Czech law, in particular Act No. 89/2012 Coll.:

Article I

Subject Matter of the Contract

- 1.1. [REDACTED]
- 1.2. The Parties have agreed that the subject matter of the work pursuant to this Contract for Research Cooperation shall be further clarified and specified through individual contract research orders to be placed by the Customer. Any modifications of rules agreed herein and pertaining to an individual order shall always apply solely to the individual contract research undertaken pursuant to the relevant individual order. Any individual contract research order has to refer to this Contract.
- 1.3. Things, or documents and information, required for the execution of the work or a part thereof shall be delivered by the Customer to the Contractor within an agreed period of time, or otherwise without undue delay upon the acceptance of an individual order.
- 1.4. Intangible output of the project (e.g., written reports on project solution, test protocols, simulation results, etc.) and tangible output of the project to the extent specified by means of individual contract research orders shall be delivered by the Contractor to the Customer for the record, thus enabling the Customer to use same. By signing the delivery and acceptance record, the Customer shall confirm acceptance of the work, with or without reservations.
- 1.5. The intangible output in particular shall serve as a basis for a research summary, to be drawn up by the Contractor always at the end of the calendar year in connection with its obligation to report contract research in accordance with the requirements of the "Development, Research and Innovations Board", set out in the applicable "Methodology for the Assessment of Results of Research Institutions", approved by the government of the Czech Republic in accordance with Act No. 130/2001 Coll., on Publicly Financed Support to Research, Experimental Development and Innovations. The summary shall be designated as classified, and any and all information disclosed with regard thereto shall always be disclosed to the minimum extent required by law, and with a view to the fact that it involves contract research, the content of which, and any and all data related thereto, is subject to the Customer's business secret, in particular to ensure that the subject matter and content of the contract research is

not disclosed, and that such information does not become a part of the public section of the Research, Experimental Development and Innovations Information System, or is not published or disclosed to third parties in any other way.

- 1.6. Taking into account the Contractor's interest in acquiring original results of fundamental or applied research for purposes of their publication as corresponds to the academic character of the Contractor and to demands put on the Contractor with regular evaluations performed by the CAS, the Customer will, to the maximum extent limited solely by unavoidable exceptions connected with impending economic losses, release for publication scientific results achieved by the Contractor at fulfilling this contract. Each publication will be submitted to the Customer for prior approval that will be granted or refused within thirty days. Refused approval will be accompanied with detailed description of corrections in the submitted manuscript that would be sufficient for the approval to be granted.
- 1.7. The Customer undertakes to accept the subject matter of this Contract for Research Cooperation, and to pay the price for the work in accordance with terms and conditions set forth below.

Article II

Place of Performance

- 2.1. The Contractor's registered seat shall be the place of performance.
- 2.2. The Parties have agreed that depending on the need to produce samples for testing, the individual contract research orders shall contain provisions on material provision for such activities, if applicable.
- 2.3. The subject matter of this Contract for Research Cooperation, in particular samples manufactured for the purpose of testing, shall be delivered to the Customer at a location specified in the individual contract research orders.

Article III

Performance Time

- 3.1. The Contractor undertakes to deliver the individual results of contract research within the term agreed between the Parties for each individual accepted order.
- 3.2. As it is not possible to estimate beforehand how many individual steps will need to be undertaken in the process of contract research in order to solve the subject matter pursuant to Section 1.1 hereof, this Contract for Research Cooperation is concluded for an indefinite term, and the contractual relationship shall be terminated by agreement between the Parties.
- 3.3. In the event that during work on an individual contract research order, the Contractor reaches the conclusion that it is unable to execute the work with due professional care, the Contractor shall advise the Customer accordingly without undue delay, in any case within the term as per Section 3.1 above, and shall agree with the Customer either on a change of requirements, or on a termination of the relevant individual step within the contractual relationship, without any right to financial compensation. If the Parties agree that the execution of the work is to be

continued following a change of requirements, the term set for the completion of that individual step within the contract research process shall be extended by the duration of such interruption, or by a period required to complete the relevant part of the work under the new terms.

Article IV

Price of the Research

- 4.1 The price for each individual product of contract research shall be set by agreement between the Parties within the meaning of Section 2 *et seq.* of Act No. 526/1990 Coll., on Prices, as amended, during the process of acceptance of the individual contract research order. The price shall include the price of tangible output of the project. The Customer shall bear any and all expenses and risks associated with the transport, including any official fees.
- 4.2 The agreed price shall include any and all costs incidental to the performance to be rendered by the Contractor pursuant to this Contract.

Article V

Terms of Payment

- 5.1 The right to payment of the price for the work shall arise upon the execution of each individual part of the work. The Customer shall pay the price pursuant to an invoice issued by the Contractor after the delivery and acceptance record is signed in accordance with Section 1.4. The price for the work shall be paid into the Contractor's account indicated in the heading, which account is a registered account published by the tax administrator in the register of VAT payers.
- 5.2 If the invoice contains any incorrect or incomplete data, the Customer shall be entitled to return it to the Contractor before the maturity date. The Customer shall further be entitled to return the invoice to the Contractor if it discovers any defect in the subject matter of this Contract prior to payment of the invoice. After the defect is rectified, or after the Contractor otherwise ceases to be liable for the defect, the Contractor shall deliver a new invoice to the Customer.
- 5.3 The invoice shall be payable within 30 calendar days.

Article VI

Contractual Sanctions

- 6.1 If the Contractor fails to meet the agreed performance deadline, the Customer may claim a contractual fine equivalent to 1% of the price of the work for each week of default.
- 6.2 If the Customer is in default with due and timely payment of the price for the work, the Contractor shall be entitled to claim default interest at a statutory rate from the Customer.

Article VII

Withdrawal from the Contract

- 7.1 Either Party may **withdraw** from the Contract on the grounds of material breach of this Contract by the other Party. Legal effects of withdrawal from this Contract shall occur on the day of delivery of the notice of withdrawal to the other Party. Withdrawal from this Contract shall be governed by the applicable provisions of the Commercial Code.

Article VIII

Liability for Damage

- 8.1 The Contractor has taken out liability insurance with regard to damage to third party movables located on the premises of the institute, with an insurance limit of CZK 1 million.
- 8.2 The Contractor shall be liable for damage caused in connection with the execution of the work.
- 8.3 The Contractor shall not be liable for any potential damage caused to the Customer or third parties in connection with the use of the work or any part thereof delivered.

Article IX

Protection of Intellectual Property

- 9.1 Ownership title to tangible outputs of the project shall transfer to the Customer upon delivery. Intangible work shall remain the property of the Contractor who hereby, by virtue of this Contract for Research Cooperation, grants the Customer a nonexclusive license to use the results generated.
- 9.2 Publication of the work by either of the Parties shall be subject to written consent by the staff members of the other Party in accordance with Section 1.6.
- 9.3 In the event that during the process of collaboration pursuant to this Contract for Research Cooperation, the assignment made or information and documents provided by the Customer result in an invention, utility model, know-how or other intellectual property rights, and the Customer's contribution to that outcome was not so material that the outcome would not have been created without the Customer's input, the rights to such output shall be vested solely in the Contractor. Where the Customer materially contributes to the creation of intellectual property rights, the rights shall be distributed with a view to the Parties' shares in the intellectual property, to be determined on an individual basis by a separate agreement between the Parties.

Article X

Quality Defects, Quality Warranty

- 10.1 The work shall be deemed defective if it does not conform to this Contract. The Customer's rights under defective performance shall be triggered by a defect in the thing at the time when the risk of damage transfers to the Customer, although the defect may only be manifested later. The Customer's right shall also be triggered by any defect caused by the Contractor by breach of duty. The Customer shall be obliged to notify any defects in the work to the Contractor without undue delay when it

discovers or should have discovered same with due care. The Customer shall be entitled to rectification of the defect during the warranty period at no charge.

- 10.2 The Contractor grants a warranty of 1 year from the delivery of the tangible outputs of the project to the Customer.

Article XI

Protection of Information

- 11.1 As the subject matter of this Contract shall be used for the purpose of reporting a contract research monitoring indicator, the Contractor shall be obliged to procure access for the steering body of the relevant operational programme in the audit process even to those documents that are subject to protection under *lege specialis*, provided that statutory requirements (e.g., Section 11 (c) and (d), Section 12 (2) (f) of Act No. 552/1991 Coll., on State Audit, as amended) are satisfied. Documents must be archived at least up to year 2025.
- 11.2 The Parties hereby undertake not to disclose any commercial and technical information entrusted to them by their contractual partner to any third parties without the written consent of the other contractual partner, and not to use any such information for any purposes other than performance hereunder. The foregoing shall not apply to disclosure of information on contract research pursuant to Section 1.5 and 1.6 hereof.

Article XII

Final Provisions

- 12.1 Legal relations arising from this Contract for Research Cooperation shall be governed by Czech law, in particular Act No. 89/2012 Coll., the Civil Code, as amended. In the event that there is any interference by the state with the terms and conditions or legal regulations applicable to this Contract for Research Cooperation, this Contract for Research Cooperation or the relevant part thereof shall be amended so as to preserve its meaning and purpose. Any dispute or difference of opinion relating to this Contract for Research Cooperation shall be finally settled by arbitration in the Vienna International Arbitral Centre in accordance with its rules in force at such time by one or more arbitrators appointed in accordance with the said rules. Such arbitration shall be conducted in English. Any award shall be final and binding upon the Parties.
- 12.2 In accordance with Act No. 340/2015 Coll., the Contractor shall disclose this Contract for Research Cooperation in Register of Contracts in a way protecting business secrets pursuant to Section 1.5. Disclosure means here uploading the machine-readable format of the contents of the Contract for Research Cooperation in the Public Administration Portal. The same holds for the individual contract research orders.
- 12.3 If one or several provisions of this Contract for Research Cooperation becomes or turns out to be invalid or purported, such fact shall create no prejudice to the balance of this Contract for Research Cooperation. The Parties shall replace the invalid or

purported provision with such valid provision as to follow the scientific as well as economic purpose of the invalid or purported provisions as closely as possible.

- 12.4 Any amendments to this Contract for Research Cooperation must be in writing. Any deviations from this Contract for Research Cooperation may only be made by way of an amendment.
- 12.5 This Contract for Research Cooperation is made out in four counterparts, of which the Contractor and the Customer shall each receive two.
- 12.6 This Contract for Research Cooperation shall enter into force and effect upon its execution by the authorized representatives of the Parties.
- 12.7 The Parties hereby declare affirmatively and expressly that they have reached agreement on the entire content of this Contract for Research Cooperation, and are well acquainted with the full content of this Contract for Research Cooperation, and that this Contract for Research Cooperation is a manifestation of their own true and free will, and was not concluded under duress or under manifestly onerous conditions. In witness whereof the authorized representatives of the Parties attach their authentic signatures below.


Kawasaki, 10/12/2018

Brno, 30-11-2018



For the Customer

Kaneharu Okuda, General Manager, Analysis
& Characterization Research Dept.



For the Contractor

Ing. Ilona Müllerová, DrSc.
Director

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