

CONTRACT FOR CONSULTANCY SERVICES

under Act No. 89/2012 Coll., Civil Code („CC“), as amended, between

Fyzikální ústav AV ČR, v.v.i.

with its registered seat at: Na Slovance 2, Praha 8,
post code 182 21, Czech Republic

Id. No.: 68378271

VAT Id. No.: CZ68378271

Represented by: RNDr. Michael Prouza, Ph. D. ,
director

Registered in the public research institutions
registry maintained by the Ministry of Education,
Youth and Sports of the Czech Republic

(hereinafter only “**Client**”)

LSP GLOBAL

with its registered seat at: 9757 Timberoak Trail,
Cincinnati, OH, 45241, USA

Employer Identification Number (“EIN”): 20-
8616590

Represented by: S.R. Mannava, Ph.D., president

(hereinafter only „**Consultant**“)

(jointly also as “**Contracting Parties**”)

conclude the following Contract for Consultancy Services on the day, month and year specified below
(hereinafter only “**Contract**”):

WHEREAS

- (A) The European Union represented by the European Commission - the Research Executive Agency (“**REA**”) awarded the specific grant for implementing a specific action under the Framework Partnership Agreement XXX — HiLASE CoE (“**Framework Partnership Agreement**”); the specific action to be implemented is entitled ‘HiLASE Centre of Excellence — HiLASE CoE’ (“**HiLASE CoE project**”) by the Client and its partner in HiLASE CoE project, United Kingdom Research and Innovation, Polaris House, North Star Avenue, Swindon, SN2 1FL, United Kingdom, under the conditions stipulated in the Specific Agreement XXX HiLASE CoE (“**Specific Agreement**”) concluded among the Client, the REA and the United Kingdom Research and Innovation;
- (B) Under the Annex 1 of the Specific Agreement, the Client is supposed to create LSP laboratory within its premises at Za Radnicí 828, 252 41 Dolní Břežany, Czech Republic at Client’s branch called HiLASE Centre (hereinafter only “**HiLASE**”); creating of the LSP laboratory shall consist mainly of LSP stations upgrade, LSP Operation and LSP Applications;
- (C) For the purpose of establishing the LSP laboratory at HiLASE, the Consultant shall provide consultancy services as these are described in the Contract including its annexe(s) which shall involve i.a. providing recommendations, advising, assessments and trainings of Client’s respective staff.

TEAMING FOR SUCCESS



THEREFORE IT IS AGREED BY AND BETWEEN THE CONTRACTING PARTIES

as follows:

1. Specific Agreement and Framework Partnership Agreement

The Contracting Parties shall abide by the terms and conditions of the Specific Agreement and Framework Partnership Agreement, which form part of this Contract. Nothing in this Contract may be taken to override or nullify the terms of the Specific Agreement and Framework Partnership Agreement and, in the event of any conflict between this Contract and the Specific Agreement and/or Framework Partnership Agreement, the terms of the Specific Agreement and/or Framework Partnership Agreement shall prevail. Especially, but not only, Art. 41, 42, 44 and 52 of the Framework Partnership Agreement shall apply also to the Consultant.

2. Consultancy services

- 2.1 The Consultant will provide LSP consulting services of S.R. Mannava, Ph.D, who will report to Ing. Jan Brajer, Ph.D employed at the Client (“**Client’s Representative**” – see also Art. 2.5) and will perform the work as specified in Annex No. I to this Contract (“**Services**”; Annex No. I. to this Contract shall also be referred to as “**Work Plan**”). Any work which is not required from the Consultant under Annex No. I to this Contract shall not be undertaken by the Consultant until it is agreed in advance in writing (e-mails are sufficient) by both Contracting Parties (“**Additional Services**”); in any case Additional Services shall not lead to increase of fee as it is stipulated in Art. 4.1 of the Contract and shall not count into total amount of hours for provision of Services.
- 2.2 The Services shall be performed by S.R. Mannava, Ph.D; the Consultant is entitled to have arrangements with other parties provided the performance of such arrangements do not, in the Client’s reasonable opinion, conflict with the due and timely performance of the Services by Consultant.
- 2.3 The Consultant undertakes to perform the Services in accordance with the standards that would reasonably be expected of a consultant operating in the field of LSP, material research and knowledge of the market of the kind in question.
- 2.4 Any deadline specified in the Contract shall be of essence.
- 2.5 Any correspondence relating to Services shall be sent to following personnel of each Contracting Parties:

Client’s Representative:

XXX
XXX
XXX
XXX
XXX
XXX

Consultant’s Representative:

XXX
XXX
XXX
XXX
XXX
XXX

3. Period of the Contract

- 3.1 The Contract shall become valid by signing it by the last Contracting Party and effective as of the day of its publication in the contract register of the Czech Republic. The Consultant hereby agrees with publication of this Contract in the contract register of the Czech Republic as required by respective legislation of the Czech Republic, especially by Act No. 340/2015 Coll., on Agreements Register as amended.
- 3.2 The Contract shall last for a maximum of two (2) years from the day of its effectiveness or until the agreed amount of Services calculated in hours (see Work Plan and Art. 4.1) is reached, whatever of the two options occurs earlier.

4. Financial and time conditions of Services' provision

- 4.1 Contracting Parties agree that Consultant shall provide to the Client all the Services as these are described in the Work Plan, in the amount of maximum of 400 (four hundred) hours (“**Consultancy hour**” or “**Consultancy hours**”) during the maximum of 2 years from the Contract effectiveness. The Client shall pay the Consultant a fee per one hour (60 minutes) of Services' provision in the amount of XXX without value added tax applicable in the Czech Republic. The rate stipulated herein shall be a full cost rate, i.e. it shall comprise all the costs incurred by the Consultant associated with Services' provision, such as, but not only, overheads, travel costs, subsistence costs.
- 4.2 Should the Consultant provide to the Client Services exceeding 400 hours time-plan and/or should the Consultant provide to the Client Additional Services, the Client shall not be obliged to pay for such services in those cases.
- 4.3 Arranging the Services in a particular order, as it is described in the Work Plan (hereinafter only “**Service Task/s**”, see bullets I. – IV. of the Work Plan), shall not mean that the Service Tasks shall be provided in a particular time sequence; the Service Tasks shall be provided on a case by case basis based on the Client's written (e-mail) request (hereinafter only “**Client's Request**”) within 2 year time period from Contract effectiveness or up to 400 hours of Services' provision is reached, whatever of the two options occurs earlier.
- 4.4 The Services described in the Work Plan, shall amount to:
- Counselling on LSP stations upgrade (I.) shall be provided in the amount of approximately 60 Consultancy hours;
 - Advising on Potential application assessments in selected industries (II.) shall be provided in the amount of approximately 60 Consultancy hours;
 - Advising on LSP Operation (III.) shall be provided in the amount of approximately 120 Consultancy hours;
 - Advising on Business Development (LSP Applications) (IV.) shall be provided in the amount of approximately 160 Consultancy hours
- The Contracting Parties hereby agree that the division of Consultancy hours stipulated in this Art. 4.4 is only indicative and can be changed based on Client's requests within the scope of the Services' definition in Art. 2.1, and up to the maximum Consultancy hours as stipulated in Art. 4.1.
- 4.5 The output of Service Tasks, as these are described in the Work Plan, shall have a form of written:
- minutes – in case of Services under I.a, I.b, III.b, IV.e (“**Minutes**”);
 - study – in case of Services under I.c, I.d, II.a, II.b, III.a, III.c, IV.a, IV.b, IV.c, IV.d (“**Study**”).

- 4.6 Minutes/Study shall be drafted and sent by the Consultant to the Client's Representative (Minutes/Study attached to an e-mail is sufficient) as soon as the particular Service Task is fully completed. The Client shall then have two weeks to approve the Minutes/Study via e-mail. Should the Client consider the Minutes/Study to be incomplete and/or otherwise not fulfilling what is agreed in respective Service Task in the Work Plan, the Client shall ask the Consultant to redraft the Study/Minutes within one week from such an e-mail request is sent to Consultant's Representative; the said request to redraft the Minutes/the Study can be repeated several times up completing the Study/Minutes and /or up to the Study/Minutes fulfil what is agreed in the respective Service Task in the Work Plan.
- 4.7 Respective fee for provided Services shall be paid to the Consultant as payments, which shall be based on at least quarterly invoicing, i.e. the first invoice can be issued after 3 months of Services' provision counting as of the Contract effectiveness' start date. Any invoice shall be preceded by a time-sheet ("TS") to be prepared by the Consultant's Representative and sent to and approved by the Client's Representative. The TS shall contain following:
- Description of particular Service Task/s, in line with its description in the Work Plan, provided by the Consultant to the Client;
 - Brief description of output/s of such Service Task/s approved by the Client's Representative – that means at least the title and short content;
 - Amount of Consultancy hours equalling to performance of particular Service Task/s including its output/s.
- 4.8 An invoice can be issued only after the particular TS is expressly approved by the Client's Representative via e-mail; such an approving e-mail shall be attached to the respective invoice issued by the Consultant.
- 4.9 An invoice shall contain all information required by the applicable laws of the Czech Republic; among others it shall contain following information: name and registered office and tax identification number of the Client; name and registered office and tax identification number of the Consultant; Consultant's bank account; registration number of the invoice; reference to an approved TS including reference to performed Service Task/s; date of the issue of the invoice; fee to be paid by the Client in EUR; Client's internal number of this Contract which shall be communicated to the Consultant based on Consultant's request; declaration that the invoice is issued in relation to implementation of the "HiLASE CoE Project - Specific Agreement XXX".
- 4.10 Any electronic invoice shall be sent to [XXX](#) and [XXX](#)
- 4.11 The Client shall realize payments on the basis of duly issued invoice within thirty (30) calendar days from receipt of the invoice. If the Consultant stipulates any shorter due period of the invoiced amount in the invoice, such different due period shall not be deemed relevant and the due period stipulated herein prevails.
- 4.12 The last invoice in each calendar year must be delivered by the Consultant to the Client's no later than by December 15th of the given calendar year. In case that the invoice shall not contain the above mentioned information or the invoice does not comply with the requirements stipulated by law or the invoice is delivered to the Client later than by December 15th of the given calendar year, the Client is entitled to return it to the Consultant during its maturity period and this shall not be considered as a default. The new maturity period shall begin from the receipt of the supplemented or corrected invoice to the Client.

- 4.13 The Client shall not be liable to the Consultant for the late payment of amounts due hereunder where this is a consequence of late funding from REA to implement HiLASE CoE project under the Specific Agreement.
- 4.14 Provided REA claims repayment from the Client of any funding for the HiLASE CoE project arising out of the Consultant's undue and/or late provision of Services, the Consultant shall repay any such amount it has received from the Client in order to satisfy such REA's claim.

5. Intellectual property

- 5.1 All intellectual property rights arising out of or in connection with the Services, such as, but not only, Studies and Materials, shall be the property of the Client and accordingly, insofar as the same require to be transferred in advance, they are so transferred to the Client by the Consultant hereunder. For the avoidance of doubt, intellectual property shall include, but shall not be limited to, all patents, trademarks, inventions and know-how and all copyright (including copyright in any material produced in connection with the Services) or registered designs or drawings, designs or other documents or creative works.
- 5.2 The Consultant hereby warrants and declares that no part of the Services will comprise any intellectual property owned by third parties.

6. Confidentiality

- 6.1 The Consultant, for the duration of this Contract and for a period of five years thereafter, undertakes not to disclose to any third party any confidential information communicated under this Contract, or resulting from the Specific Agreement attached to this Contract, is identified as confidential at the moment of disclosure. "Confidential Information" means any information in whatever form which is marked as confidential or which, by its nature or the circumstances of its disclosure, ought to be treated as confidential.
- 6.2 The obligation stipulated in Art. 6.1 of this Contract shall not apply to information which:
- is, at the time this Contract comes into effectiveness, or will become part of the public domain otherwise than by breach of the obligation of confidentiality, or
 - the Consultant can sufficiently demonstrate to have been known by the Consultant prior to disclosure by the Client hereunder, or
 - is subsequently rightfully received without restriction by the Consultant from a third party who lawfully acquired the information,
 - is required to be disclosed by law or any competent regulatory authority,
 - the Consultant shall, and shall procure that its employees shall, store, maintain, organise and administer all information obtained by it or generated in connection with the provision of Services hereunder on a strictly confidential and need-to-know basis.

The onus of proof, that a particular information is not Confidential Information, shall be lie with the Consultant.

7. Audits and checks

Consultant shall provide the Client with all the reasonable information and assistance to comply with the requirements of any body lawfully entitled to carry out audits and checks of the Client mainly in respect of the HiLASE CoE project, such as, but not only, REA, the European Commission, the European Court of

Auditors and the European Anti-fraud Office as well as hereby gives unconditional consent for the respective body/bodies to inspect and audit all records generated by the Consultant pertaining to the Services' provision.

8. Termination and withdrawal

8.1 This Contract may be terminated by completing the performance required hereunder, especially by performing Services in the amount of 400 Consultancy hours, by agreement of the Contracting parties or by withdrawal from the Contract on the grounds stipulated by law or in the Contract.

8.2 The Client is entitled to withdraw from this Contract, if any of the following circumstances occur:

- the Consultant has materially breached obligations imposed by the Contract, specifically by being in delay with responding to a Client's request to perform Service Task/s and/or to complete the Minutes/Study as stipulated under Art. 4.6 hereof and such delay lasts more than 4 weeks;
- the insolvency proceeding is initiated against the Consultant's assets;
- the REA or any other body lawfully entitled to carry out audits and checks of the Client mainly in respect of HiLASE CoE project declares that the expenditures or part of the expenditures incurred on the basis of this Contract are ineligible;
- the REA decides to withdraw the specific grant for implementing HiLASE CoE project.

8.3 The Consultant is entitled to withdraw from the Contract in the event of material breach of the Contract by the Client and in case of events outside the control of the Client (e.g. natural disasters, etc.).

9. Severability

In the event that any of the provisions of this contract shall later be shown or determined to be invalid, putative, ineffective or unenforceable, then such invalidity, putativeness, ineffectiveness or unenforceability shall not cause invalidity, putativeness, ineffectiveness or unenforceability of the Contract as a whole. In such event the Parties undertake without undue delay to subsequently clarify any such provision using Sec 553(2) of the Civil Code, or to replace after mutual agreement such invalid, putative, ineffective or unenforceable provision of the Contract by a new provision, that in the extent permitted by the laws and regulations of the Czech Republic, relates as closely as possible to the intentions of the Parties to the Contract at the time of creation hereof.

10. Assignment and setting off

10.1 The Consultant shall not, without the prior written agreement of the Client, assign or delegate any duties and obligations hereunder to any other party.

10.2 The Contracting parties agree that the Consultant shall not be entitled to set off any part of its receivable, or receivable of its sub-debtor, against the Client or any of his receivables, unless this Contract stipulates otherwise. The Consultant shall not be entitled to assign any receivable arising in connection herewith to a third party.

11. Entire Contract

This Contract represents the entire agreement between the Contracting parties in relation to the Services and supersedes all representations, undertakings, understandings or other statements whether written or oral made by either Contracting party to the other prior to the date of this Contract.

12. Force Majeure

Neither Party to this Contract shall be liable to the other nor held to be in breach of this Contract to the extent that it is prevented, hindered or delayed in performance or observance of its obligations hereunder by reason of industrial action, strikes, lockouts, inability to obtain supplies, accidents or any other cause or contingency whatsoever beyond its reasonable control.

13. Amendments to the Contract

All modifications and supplements of this Contract must be carried out in writing as numbered amendment/amendments.

14. Disputes and governing law

This Contract is governed by the laws of the Czech Republic, especially by the Civil Code. All disputes arising out of this Contract or out of legal relations connected with this Contract shall be preferable settled by a mutual negotiation. In case that the dispute is not settled within sixty (60) calendar days, such dispute shall be decided by courts of the Czech Republic in the procedure initiated by one of the Parties.

15. Waiver

No failure or delay by a Contracting party to exercise any right or remedy provided under this Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

16. Signatures

This Contract is executed in four (4) counterparts and every Contracting party shall receive two (2) counterparts.

IN WITNESS WHEREOF attach Contracting parties their handwritten signatures:

