

NON DISCLOSURE AGREEMENT
(REFERENCE: SOS160011)

This agreement (hereafter referred to as the "**Agreement**") is entered into force on 20th of December, 2016 (hereafter referred to as the "**Effective Date**"), by and between:

SERENUM, a.s., a company duly organised and existing under the laws of Czech Republic, with a share capital of 19 000 000 CZK, registered in Municipal Court in Prague, section B, Insert 18932, under number 01438875, having its registered office located at Beranových 130, 199 00 Praha – Letňany, Czech Republic, Represented by Zbyněk Šedivý, acting in his capacity as Member of the Board

Hereinafter referred to as "**SERENUM**",

and

Výzkumný a zkušební letecký ústav, a.s., a company duly organised and existing under the laws of Czech Republic, with a share capital of 750 968 000 CZK, registered in Municipal Court in Prague, section B, Insert 446, under number 00010669, having its registered office located at Beranových 130, 199 00 Praha – Letňany, Czech Republic, Represented by Josef Kašpar, acting in his capacity as Chairman of the Board and Viktor Kučera, acting in his capacity as Vice-chairman of the Board

Hereinafter referred to as the "**VZLU**",

Hereinafter individually referred to as the "**Party**" and/or the "**Disclosing Party**" and/or the "**Receiving Party**" and collectively referred to as the "**Parties**".

WHEREAS

- **SERENUM** and **VZLU** wish to exchange and discuss certain non-public, confidential or proprietary information concerning [REDACTED] (hereinafter called the "**Project**"), subject to the terms and conditions of this Agreement.
- Each Party receiving information recognises and acknowledges the confidential nature and competitive value of the proprietary and/or confidential information (as defined in article 2 "Confidential Information") and the damage that could result to each Party furnishing such proprietary and/or confidential information if the information contained therein is disclosed to a third party.

NOW, AND THEREFORE, the Parties agree as follows:

Article 1 – Purpose

- 1.1 This Agreement sets forth the terms and conditions governing the disclosure, use and protection of the Confidential Information disclosed by one Party to the other for the Project.
- 1.2 Under this Agreement, each Party shall communicate to the other only the Confidential Information it deems necessary for the Project and shall use the Confidential Information received from the other Party only in connection with the Project.
- 1.3 This Agreement is not intended to be, nor shall it be construed as compelling either Party to disclose Confidential Information to the other or creating a joint venture, association, partnership, teaming agreement, or other formal business organisation or agency relationship. The disclosure of Confidential Information hereunder shall not constitute an offer or acceptance or promise of any future contract or amendment of any existing contract. Each Party reserves the right in its own and absolute

discretion to terminate discussions and negotiations concerning the Project and to terminate this Agreement in accordance with article 8 "Term".

Article 2 – Confidential Information

- 2.1** For the purpose of this Agreement, "**Confidential Information**" shall mean any information relating to the Project, disclosed under this Agreement and identified as confidential by the Disclosing Party or by upper level customer of Disclosing Party, as per article 2.2 hereunder, whether in oral, written, graphic, electronic or other machine readable form, or copies thereof, whatever its object (technical, industrial, financial, business...), its nature (including but not limited to know-how, methods, technical breakdowns, process, formulae, designs, computer software, future development and business) and its supporting medium (written and printed document, drawing, sample, plan, CD ROM, USB key...).
- 2.2** Written Confidential Information shall be identified at the time of the disclosure with an appropriate legend, marking, stamp or positive written identification on the face thereof identifying the information as confidential or proprietary. Verbal or visual Confidential Information shall be so identified at the time of the disclosure by informing the Receiving Party of its confidential nature and the Disclosing Party shall notify the Receiving Party in writing within fifteen (15) calendar days of the disclosure and specifically identify the Confidential Information previously disclosed verbally or visually. It being understood that this Confidential Information shall be protected hereunder for the said fifteen (15) calendar day period.
- 2.3** The Disclosing Party shall ensure that disclosures under this Agreement are not contrary to the laws and regulations of their respective countries. This Agreement shall be subject to all applicable government security requirements and export regulations binding upon the Parties.

The Disclosing Party shall clearly identify and label any Confidential Information, which is of classified nature with a dedicated stamp or legend, and shall notify the classified nature of the Confidential Information to the Receiving Party at the time of its disclosure. The Receiving Party shall ensure the Confidential Information is protected in accordance with the requirements of such classification.

Should prior governmental or agency authorisation or approval for disclosure or transfer of Confidential Information be required, each Party shall only disclose and transfer the Confidential Information to the other Party once the said approval has been obtained. Any Confidential Information subject to export control shall be so identified by the Disclosing Party and bear the licence or agreement number on the face thereof.

For any disclosed Confidential Information which is subject to export controls under the laws and regulations of the United States, the European Union, and/or the national law or regulation of a Party, each Party shall comply with such laws and regulations and agrees to transfer the Confidential Information under export control only to persons and/or entities in the places and/or territories specifically stated and allowed in the licence and subject to any other obligations under the Agreement. The Receiving Party undertakes not to export, re-export or otherwise transfer Confidential Information of the other Party to third party including its own non national employees, without first obtaining all required United States, European Union and/or national authorizations or licenses.

- 2.4** Any and all Confidential Information disclosed to the Receiving Party in accordance with this Agreement and all copies, reproductions and/or duplications shall remain the exclusive property of the Disclosing Party, without prejudice to third parties' rights.

Article 3 – Obligations of the Parties

- 3.1** Each Party hereby undertakes, from the Effective Date of this Agreement and for a period of [REDACTED] following the term of this Agreement for whatever reasons, that Confidential Information received from the Disclosing Party shall:

- a) be protected and kept strictly confidential and be treated with the same manner and with the same degree of care and protection as the Receiving Party uses to treat its own confidential information of like importance, but no less than reasonable care;
- b) be disclosed internally by the Receiving Party only to those of its employees having a need to know in connection with the Project and who have been made aware of the confidential nature of such Confidential Information, and which shall be used subject to the provisions of this Agreement;
- c) not be used, in whole or in part, directly or indirectly, for any other purpose than the Project, without the prior written agreement of the Disclosing Party;
- d) not be disclosed, directly or indirectly, to any third party or any persons other than those mentioned in articles 6 "Representatives" and 3.1b), without the prior written authorization of the Disclosing Party, and provided that such third party undertakes in writing to comply with the same confidentiality obligations as provided herein;
- e) neither be copied, nor otherwise reproduced, except for the need of 3.1b), nor published, totally or partially, without the previous written authorization of the Disclosing Party.

Each Party hereby undertakes to ensure that adequate internal safeguards are in place to guarantee the protection of the Confidential Information, in particular safeguards to ensure that personnel whom Confidential Information is disclosed to do not use or release such Confidential Information in breach of this Agreement.

- 3.2 Immediately upon knowledge of an unauthorised disclosure, the Receiving Party shall take all measures to (i) notify the third party of the Disclosing Party's proprietary interest, (ii) notify the Disclosing Party of such unauthorised disclosure, (iii) avoid any further disclosure, and (iv) request the return of the disclosed material together with any copies, personal notes or correspondence concerning the Confidential Information contained in the disclosed material, without prejudice of any claims that may be filed by the Disclosing Party.
- 3.3 In the event that during the term of this Agreement, the Receiving Party is required to disclose Confidential Information in order to comply with a legal, regulatory request or any other governmental act or a court order, the Receiving Party shall notify the Disclosing Party of such requirement as soon as possible so that the Disclosing Party may seek a protective order or other appropriate remedy and waive compliance with the terms of this Agreement. The Receiving Party shall have the burden of proof to establish that the disclosure was compulsory and shall use all reasonable endeavours to minimize such disclosure.
- 3.5 The Disclosing Party does not make any representation or warranty as to the accuracy or fitness of the Confidential Information for the intended purpose of the other Party and/or for the potential results to obtain with the use of this Confidential Information.

Article 4 – Exceptions to confidentiality

The protection of Confidential Information hereunder does not and shall not extend to any information which, as evidenced by the Receiving Party:

- a) is in the public domain at the time of the disclosure, or subsequently made available to the general public, otherwise than through the fault and/or negligence or breach of this Agreement by the Receiving Party; or
- b) was lawfully obtained by the Receiving Party from a third party with full rights of disclosure; or is independently and in good faith developed by the Receiving Party as evidenced by the Receiving Party written records without making use of the Confidential Information; or
- c) is disclosed or used with the prior written approval of the Disclosing Party.

Article 5 – Return of Confidential Information

When the Disclosing Party's Confidential Information is no longer needed for the Project, or at any time upon request of the Disclosing Party, the Receiving Party undertakes in respect of Confidential Information disclosed to it as is in tangible form (together with all copies and/or personal notes remaining in the Receiving Party's possession or control) either to return it to the Disclosing Party or destroy it. Such return or destruction shall be certified in writing by the Receiving Party to the Disclosing Party within thirty (30) calendar days of the request for return or destruction.

Article 6 – Representatives

The respective representative of each Party with respect to the transmission and/or receipt of all Confidential Information under this Agreement are:

| <u>For SERENUM</u> | <u>For VZLU</u> |
|---|--|
| Name: Zbyněk Šedivý Title: Member of the Board Phone: [REDACTED] Fax: [REDACTED] Address: Beranových 130, CZ-199 00 Prague – Letňany, Czech Republic Mail: [REDACTED] | [REDACTED] |
| Name: [REDACTED] Title : [REDACTED] Phone: [REDACTED] Fax: [REDACTED] Address: [REDACTED] Mail: [REDACTED] | [REDACTED] |
| Name: [REDACTED] Title: [REDACTED] Phone: [REDACTED] Fax: [REDACTED] Address: [REDACTED] Mail: [REDACTED] | Name: Title: Phone: Fax: Address: Beranových 130, CZ-199 05 Prague – Letňany, Czech Republic Mail: |
| Name: Title: Phone: Fax: Address: Mail: | Name: Title: Phone: Fax: Address: Beranových 130, CZ-199 05 Prague – Letňany, Czech Republic Mail: |

Each Party may change its representative by prior written notification to the other Party.

Article 7 – Intellectual property right

Neither the execution of this Agreement nor the disclosure of any Confidential Information, under this Agreement, shall be deemed to grant the Receiving Party, either expressly or implicitly, any kind of intellectual property right in the Confidential Information and in the elements relating to the Confidential Information (license, patent or application, trademark, copyright or trade secret).



Article 8 – Term

This Agreement enters into force on the date of its signing by both parties and into the efficiency on the date of publication in the register of contracts. VZLU will therefore without undue delay after its signing by both parties and in accordance with the Act of Contracts Register submit the contract to register of contracts for publication.

This Agreement may be terminated by either Party, at any time, upon thirty (30) calendar days written notice to the other Party.

At the latest upon thirty (30) calendar days written notice to the other Party before the end of the term of this Agreement, the Parties may agree on an extension of this Agreement by separate written amendment, signed by the authorized representatives of the Parties.

The termination of this Agreement shall not relieve the Parties of their obligations relating to the protection and use of Confidential Information as set forth in articles 3 “Obligations of the Parties”, 5 “Return of Confidential Information”, 7 “Intellectual property right” and 11 “Governing law and settlement of disputes”.

Article 9 – Assignment

Except for the purposes of corporate merger, reorganization or reconstitution, this Agreement and the rights and obligations hereunder may not be transferred or assigned by one Party without the prior written approval of the other Party hereto, which approval shall not be unreasonably withheld or delayed.

Article 10 – Miscellaneous

- 10.1 Nothing in this Agreement authorizes either Party to enter into any other commitment on the other's behalf without their prior written approval.
- 10.2 This Agreement shall not be amended or modified other than by separate written amendment, signed by the authorized representatives of all the Parties. The Parties acknowledge that this article 10.2 can not be modified in any form.
- 10.3 This Agreement represents the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes and cancels all prior representations, negotiations, commitments, undertakings, communications, whether oral or written, acceptances, understandings and agreements between the Parties with respect to, or in connection with, any of the matters to which such Agreement applies or refers.
- 10.4 In the event of invalidity of any provision of this Agreement, the Parties agree that such invalidity shall not affect the validity of the remaining portions of this Agreement and further agree to substitute a valid provision for the invalid one in accordance with the relevant legislation.
- 10.5 No failure or delay by any Party in exercising any rights hereunder shall operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise of any rights hereunder.

Article 11 – Governing law and settlement of disputes

This Agreement shall be governed by and interpreted in accordance with the laws of *Czech Republic*.

In the event of any dispute arising between the Parties in connection with this Agreement, the Parties shall attempt to resolve such dispute in good faith without recourse to legal proceedings. This clause shall in no way waive any rights and/or remedies that the Parties may have under this Agreement and/or under law.

If the Parties are unable to resolve such dispute within thirty (30) calendar days from the day the Parties met or tried to meet after the written notification by one Party to the other of the existing dispute, either Party may request the other in writing that the matter be referred to senior representatives of the Parties with authority to settle the dispute, who shall attempt to resolve the dispute within thirty (30) calendar days of the written request to do so.

The Parties agree that these provisions do not preclude either Party from seeking interim relief in the courts, including but not limited to an injunction to prevent breach, or further breach, of the terms of this Agreement.

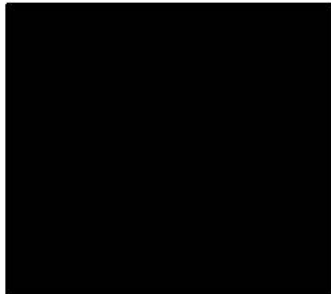
In witness whereof, each of the Parties hereto has caused this Agreement to be executed by its duly authorised officers or representatives.

Made in two (2) original copies, one (1) for each Party,

For SERENUM

Name: Zbyněk Šedivý
Title: Member of the Board

Signature:

**For VZLU**

Name: Josef Kašpar
Title: Chairman of the Board

Signature:



Name: Viktor Kučera
Title: Vice-chairman of the Board

Signature:

