

License Agreement No. 22043/2022-NO

concluded pursuant to Section 2358 et seq. Act No. 89/2012 Sb., Civil Code

Contracting Parties:

CZECH REPUBLIC-MINISTRY OF DEFENSE

with its registered office at Tychonova 1, 160 01 Praha 6
represented by the Bursar of the University of Defence Ing. Jiří Lexmaul
with office: Univerzita obrany, Kounicova 65, 662 10 Brno
ID No: 6016269
TI No: CZ6016269
Bank: Česká národní banka, Brno-město branch
Bank account No.: 404881/0710

Contact person:

Luděk Jedlička

Roman Vitek,

Mail delivery address: Univerzita obrany, Kounicova 65. 662 10, Brno

Address for delivery of electronic tax documents: elektronicke.faktury@unob.cz

as the **ACQUIRER** (hereinafter referred to as the "Acquirer") on the one hand

and

Arrow Tech Associates

with its registered office at Suite D-7 Pierson House, 1233 Shelburne Road, South Burlington,
Vermont, 05403 United States Of America

registered in the Commercial Register kept by Office of the Secretary (State of Vermont)

represented by John M Whyte (VO Software Sales/System Engineer)

Tax Identification number:

Bank: Citizens Bank. 148 College Street, Burlington Vermont 05401 USA

Bank account No.: Account Number:4852904716 Routing Number:021313103 Swift
Code:CTZIUS33

Contact person: John M Whyte

Fax: 802 865 3470

Mail delivery address: Arrow Tech Associates, Suite D-7 Pierson House, 1233 Shelburne Road, South
Burlington, VT 05403, USA

as the **PROVIDER** (hereinafter referred to as the "Provider") on the other

according to Section 2358 et seq. Act No. 89/2012 Sb., the Civil Code (hereinafter referred to as the
"Civil Code") conclude the following License Agreement (hereinafter referred to as the "Agreement"):

1. Subject and purpose of the Agreement

- 1.1 The Provider undertakes to provide the Acquirer with a *non-exclusive* right to use the work which is the subject of intellectual property rights to the extent specified in this Agreement (hereinafter referred to as the "License") and the Acquirer undertakes to provide the Provider with a remuneration for this authorization, where for the purposes of this Agreement, work means *a computer program AT-610-A PRODAS V3 Main Analysis Package, Optional*

analysis module - AT-613-A Firing Tables and Optional analysis module - AT-616-A Additional Library Rounds (hereinafter referred to as the "Computer Program"), which is further specified in Article 2 to this Agreement.

- 1.2. The scope of the License is determined as follows:
- 1.2.1. the territorial scope of the License *is limited to the University of Defence, due to export control of the software license;*
 - 1.2.2. the time range of the License *is not limited, i.e. the Acquirer is authorized to use the Computer Program for an indefinite period, however changes in operating systems may affect this.* License is considered in perpetuity but not guaranteed.
- 1.3. The purpose of this Agreement is to provide support for the creative activities of the University of Defence.

2. Remuneration

- 2.1. Remuneration for the provision of the License referred to in Article 1.1. of this Agreement is agreed on a fixed amount as the maximum, in the amount of 25 925,00USD without value added tax (VAT) (in words: twenty-five thousand nine hundred and twenty-five USD). The Remuneration determined in this way includes all costs of the Provider related to the performance of this Agreement (e.g. costs of transport to the place of performance, installation, customs duties).
- 2.2. Remuneration calculation is determined as follows:

Subject of performance	Unit	Quantity	Remuneration per unit without VAT (USD)	Total remuneration without VAT (USD)
AT-616-A Additional Library Rounds	license	1	2000,00	2000,00
AT-613-A Firing Tables-1st	license	1	7425,00	7425,00
AT-610-A PRODAS V3 Main Analysis Package-1st	license	1	16500,00	16500,00
TOTAL REMUNERATION (USD)				25925,00

3. Other provisions

- 3.1. The Provider shall provide the Acquirer with all documents and information necessary for the exercise of the License without undue delay after the conclusion of this Agreement, but no later than on 30 November 2022 (only upon receipt of an export license - Annex No. 2 to this Agreement) and these documents and information include in particular:
- 3.1.1. *the Computer Program is downloaded from provider website and controlled by a USB Security Key. The USB Security Key will be shipped to the final user of the Computer Program once the export license is received. Once the Computer Program is downloaded the final user may archive the Computer Program distribution as they see fit;*

- 5.3. The tax document (invoice) must contain in particular all the requisites stipulated by Act. No. 235/2004 Sb., on value added tax, as amended, the tax document (invoice) must also contain the number of the Agreement, under which the performance takes place and information that the University of Defence, Kounicova 65, 662 10 Brno, is the recipient of the performance. The original of the Protocol signed by the contact person of the Acquirer on behalf of the Acquirer is also part of the tax document (invoice). Provider is not responsible for VAT or any other import/export costs other than those incurred by applying and getting an export license for this transaction. Payment and calculation of the VAT is the responsibility of the CZECH REPUBLIC-MINISTRY OF DEFENSE. Arrow Tech Associates is a company registered within the United States and accepts payment in USD. This provision does not apply the responsibility for VAT.
- 5.4. The tax document (invoice) is delivered by the Provider to the Acquirer to the delivery address of the Acquirer. The Acquirer shall pay the remuneration according to the tax document (invoice) no later than:
- 5.4.1. 30 days from the date of receipt of this tax document (invoice) if the tax document (invoice) was delivered to the Acquirer no later than *1 December of the given calendar year*.
- 5.4.2. in other cases, 60 days from the date of receipt of this tax document (invoice).
- 5.5. The day of fulfilment of the payment obligation is considered to be the day of debiting the remuneration according to the tax document (invoice) from the Acquirer's account in favour of the Provider.
- 5.6. The Acquirer is entitled to return a tax document (invoice) before the due date, if it does not contain the required details, is not supported by the required or complete documents, or contains incorrect price information. If the Provider specifies a due date in the tax document (invoice) contrary to this Agreement, this error is not a reason for the return of the tax document (invoice) and for the further fulfilment of the obligations of the Contracting Parties, this incorrectly stated data will not be taken into account.
- 5.7. In the returned tax document (invoice), the Acquirer must indicate the reason for returning the tax document (invoice). With the justified return of the tax document (invoice), the original due date of the tax document (invoice) ceases to run and the new period determined in accordance with Article 5.4 of this Agreement runs from the date of demonstrable delivery of the corrected tax document (invoice) to the Acquirer, provided with all essentials.
- 5.8. If the Provider, as the supplier of a taxable supply, is found to have reasons for fulfilling the institute of tax liability pursuant to Section 109 of Act no. No. 235/2004 Sb., on value added tax, as amended, the Acquirer will always proceed with the payment of the remuneration in a special manner of securing the tax pursuant to the Section 109a of this Act. The Contracting Parties acknowledge and agree that in such a case the payment of the remuneration to the Provider for the subject of performance under this Agreement shall be reduced by the value of added tax, which shall be paid by the Acquirer to the tax administrator locally competent for the Provider. The Provider shall therefore receive the remuneration in the amount of the taxable amount and shall not claim reimbursement of the amount of the value added tax paid to the tax authorities of its local jurisdiction.

6. Contractual penalty

- 6.1. If the Provider is in delay with the submission of any document or information necessary for the exercise of the License within the period agreed in Article 3.1. of this Agreement, the Provider is obliged to pay the Acquirer a contractual penalty of 0.2 % of the remuneration for each day of delay, however, a maximum of 10 % of the total remuneration. This provision does not apply the responsibility for VAT. This provision applies the determination of the contractual penalty.
- 6.2. If the Provider is in delay with the elimination of defects in performance, which have to be removed within two days of notification by the Acquirer to the Provider, the Provider is obliged to pay the Acquirer a contractual penalty of 0.2 % of remuneration for each day of delay however, a maximum of 10 % of the total remuneration.
- 6.3. The Acquirer shall claim a contractual penalty and its amount from the Provider by means of an invitation. The Provider is obliged to pay the applied contractual penalty to the Acquirer within 10 days from the delivery of this invitation.
- 6.4. The contractual penalty is paid by the Provider regardless of whether the Acquirer has suffered damage. Compensation for damage is enforceable separately in full in addition to the contractual penalty.

7. Withdrawal from the Agreement

- 7.1. The Contracting Parties have agreed that this Agreement terminates, in addition to other cases stipulated by the Civil Code, also by unilateral withdrawal from the Agreement by the Acquirer for a material breach by the Provider.
- 7.2. A material breach of obligations by the Provider means:
 - 7.2.1. the Provider's delay in handing over any document or information necessary for the exercise of the License within the period agreed in Article 3.1. of this Agreement for more than **10 days**;
 - 7.2.2. repeated breach of the Provider's obligations under this Agreement, repeated breach means at least the third breach of any obligation.

8. Special arrangements

- 8.1. All legal relations that arise in the exercise of the rights and obligations arising from this Agreement are governed by the law of the Czech Republic.
- 8.2. This Agreement may be amended only by a written, numbered, mutually confirmed agreement, expressly called an Addendum to the Agreement, signed by the statutory bodies or authorized representatives of both Contracting Parties. Other records, protocols, etc. are not considered a change of Agreement. If any of the information in the heading of this Agreement relating to Contracting Parties' changes, the Contracting Party, in which the change occurred, is obliged to immediately inform the other Contracting Party about this fact in writing. The change in the case of data which are not entered in the Commercial Register (e.g. delivery address, contact person) takes effect at the time of delivery of the notification to the relevant Contracting Party.
- 8.3. The contact person of the Acquirer may only sign the Protocol on behalf of the Acquirer within the meaning of Article 4.3, this Agreement. The contact person of the Acquirer is not entitled to decide or agree with the Provider on the method of settlement of claims from defective

performance. Legal actions performed by the contact person of the Acquirer beyond the scope thus defined do not bind the Acquirer.

- 8.4. The invalidity of any of the provisions of this Agreement does not affect the validity of other provisions.
- 8.5. The Contracting Parties are entitled to assign any claim and to arrange for the debt arising from this Agreement to be taken over only with the prior written consent of the other Contracting Party.
- 8.6. The Contracting Parties acknowledge that this Agreement is subject to the obligation of publication in the Register of Contracts in the Czech Republic. The Contracting Parties have agreed that the Acquirer will send this Agreement to the administrator of the Register of Contracts for publication through the Register of Contracts within the period specified in Section 5 paragraph 2 sentence 1 of Act No. 340/2015 Sb., on special conditions of effectiveness of certain contracts, publication of contracts.
- 8.7. The following three annexes are an integral part of this Agreement:
 - 8.7.1. Annex no. 1 - The license conditions;
 - 8.7.2. Annex No. 2 - Export license;
 - 8.7.3. Annex No. 3 - End User Statement.
- 8.8. In the event of a conflict between this Agreement and its Annex, the arrangement contained in the Agreement shall prevail. In the event of a conflict between the Annexes, the arrangement contained in the Annex with the lower number shall prevail.
- 8.9. **In case the Provider will not obtain the export license in time, and will not have been able to grant the Licence mentioned in Article 1.1. of this Agreement, this Agreement will have ceased from the 30 November 2022.**
- 8.10. This Agreement shall enter into force on the day of its signing by both Contracting Parties and shall take effect on the day of its publication in the Register of Contracts.
- 8.11. This Agreement has 12 *numbered* pages (including three annexes), it is made in two copies, each with the validity of the original in English, of which one copy will be received by the Provider and one copy by the Acquirer.
- 8.12. The Contracting Parties declare that they have read this Agreement, that it was concluded after mutual negotiation according to their true and free will, certainly, seriously and intelligibly, and attach their signatures under it as proof of their consent to its content.

11-08-2022

In

For the Acquirer



8/10/2022

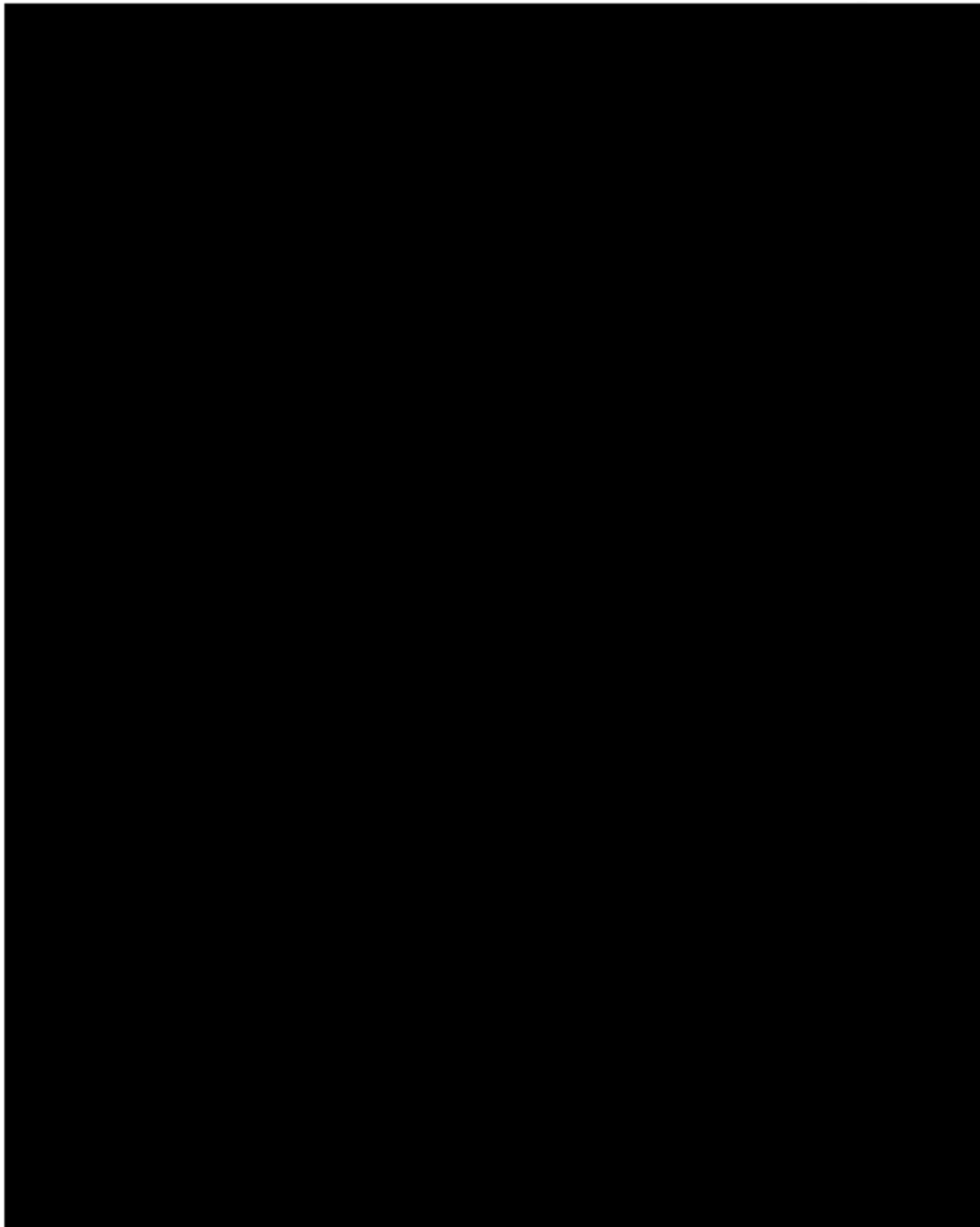
For the Provider

Annex No. 1 to Agreement No. 22043/2022-NO

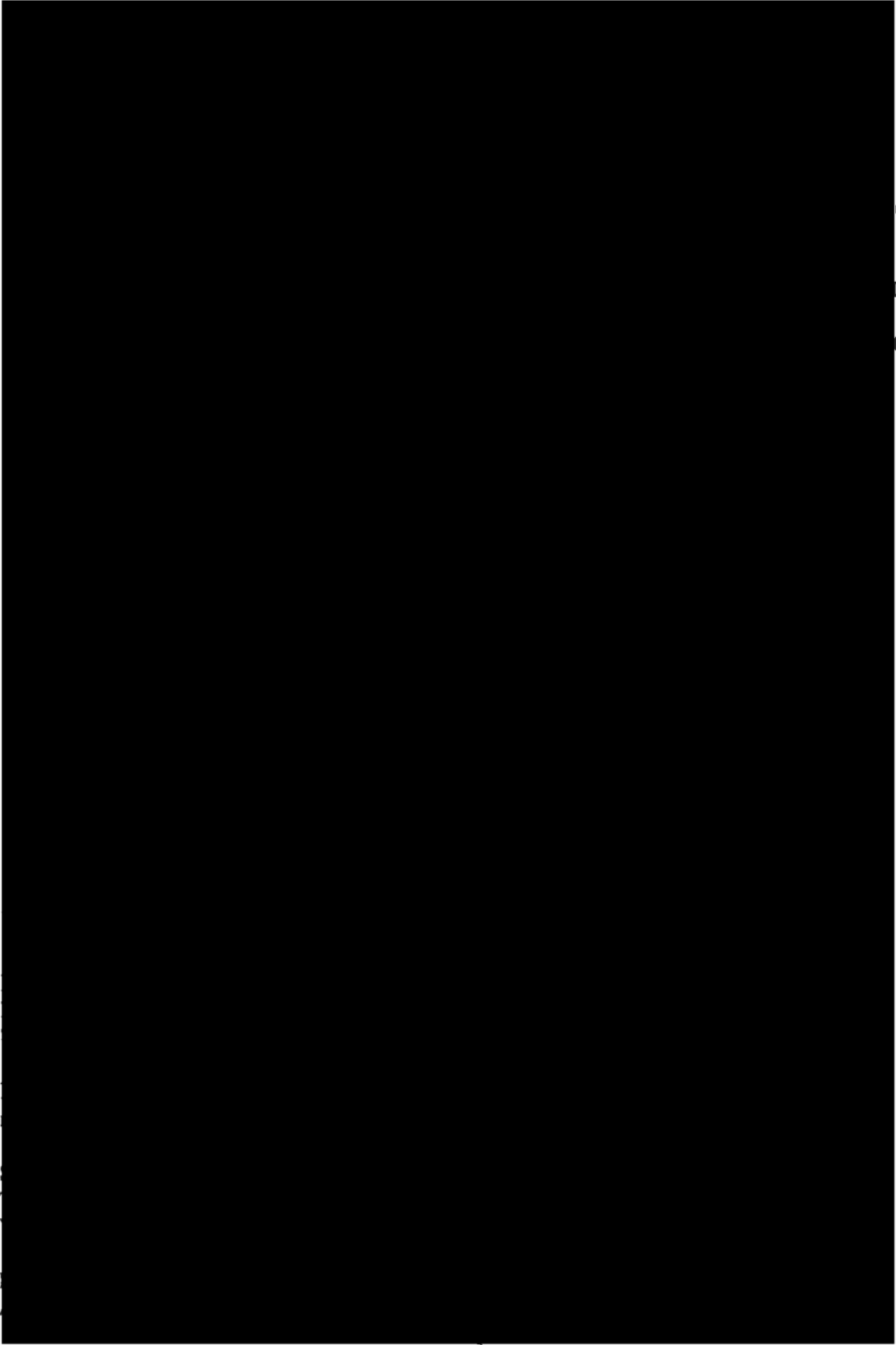
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The license conditions

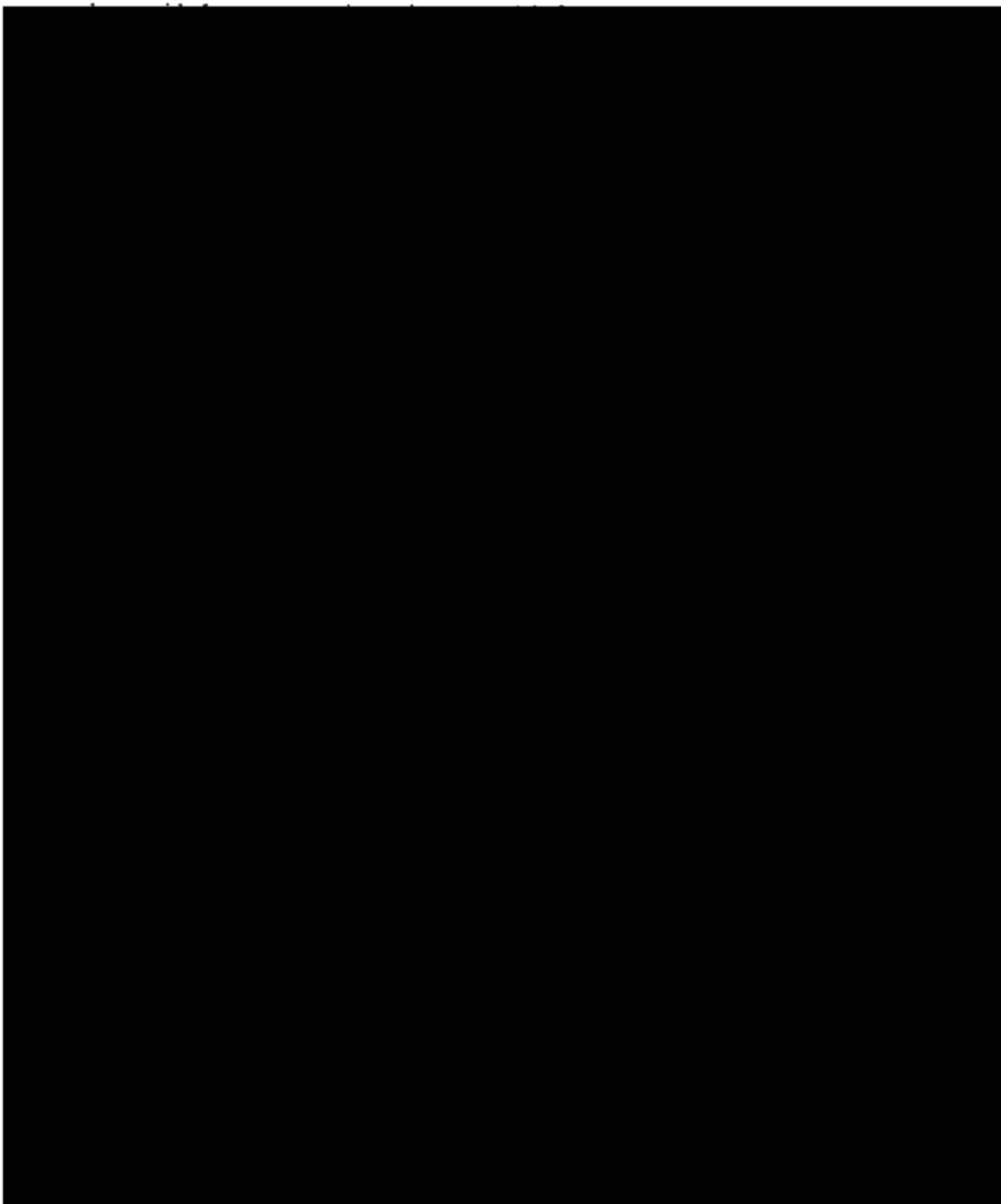
END-USER LICENSE AGREEMENT FOR ARROW TECH SOFTWARE



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Annex No. 2 to Agreement No. 22043/2022-NO

Export license



End User Statement

