

## **RIGHT OF OPTION AGREEMENT**

This RIGHT OF OPTION AGREEMENT (this “Agreement”) is made and entered into on 12/09/2022 (the “Effective Date”) by and between:

The UNIVERSITAT POLITÈCNICA DE VALÈNCIA (hereinafter referred to as the “UPV”) with CIF Q4618002B, created as university institution by virtue Decree 495/1971 of 11 March (BOE of March 26, 1971), with registered office in Camino de Vera, s/n, Valencia (Kingdom of Spain); and, in its name and representation, Mr. Salvador Coll Arnau, Vice-Rector for Innovation and Transfer, with sufficient powers for the celebration of this act, by virtue of the Resolution of July 27, 2021 by the Rector of the UPV, in accordance with the provisions in articles 9 and 12 of Law 40/2015, of October 1, on the Legal Regime of the Public Sector and in articles 51 to 55 of the Statute of the UPV, approved by Decree 182/2011 of 25 November, the Consell.;

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE (hereinafter, the “CZU”) with VAT number CZ60460709 and with headquarters at Kamýcká 129, 165 00 Prague – Suchdol, Czech Republic, and in its name and on its behalf, Mr. Ing. Jakub Kleindienst, Bursar;

And,

IDAI NATURE, S.L. (hereinafter, “IDAI”), a company registered in Spain under number B-98155328 and domiciled in La Pobla de Vallbona, 10 Moscú Street, Polígono industrial Mas de Tous - 46185 (Valencia) and in its name and on behalf of the company Mr. Carlos Ledó Orriach, acting as a member of the Board of Directors and attorney-in-fact of the company.

UPV, CZU, and IDAI are referred together as the “Parties”.

The Parties acknowledge each other's legal standing as sufficient to enter into this Agreement and, accordingly, they subscribe to the following.

### **RECITALS**

- I. Whereas UPV and CZU are co-owners of the following patent: PV2016-735-Mesoporous silica materials for the controlled release of active substances and their applications (EP17808050) (hereinafter, the “Patent”).
- II. Whereas IDAI focuses its activities in the sector of biocontrol phytosanitary products and natural fertilizers and is interested in the development of products or formulations based on the technology of controlled release of active ingredients, object of the referenced patent.

- III. Whereas the UPV and IDAI are going to enter into a research and development agreement (whose original Spanish title is: “Contrato para la investigación y Desarrollo sobre el Desarrollo y optimización de sistemas de liberación controlada para la prevención de enfermedades producidas por los hongos *erysiphe cichoracearum* y *podospaera xanthii*”) for the execution by the UPV and IDAI of a certain project (hereinafter, “Project”), in order to evaluate and determine IDAI's interest in the aforementioned Patent.
- IV. Whereas IDAI is interested in obtaining a right of option to enter into an exclusive license for the exploitation of the aforementioned patent, in accordance with the terms provided in the present Agreement.

In accordance with the foregoing, the Parties have agreed to sign this Agreement pursuant to the following.

## **PROVISIONS**

### **1. PURPOSE**

The purpose of this contract is the granting by UPV and CZU, in favor of IDAI, of a right of option to license the exploitation rights of the aforementioned Patent, on an exclusive basis, for the development, use and commercialization of any product for the induction of plant defenses covered by the claims of the Patent, in the area of pest control produced by fungi and bacteria (biocontrol) in the agricultural sector, during the term of this Agreement.

### **2. TERM**

The term of this Agreement will be twelve (12) months starting from the date of signature of the research and development agreement between UPV and IDAI.

During the first five (5) months UPV will execute the Project according to the terms and specifications foreseen in Annex I of the research and development agreement and, during the remaining seven (7) months, IDAI will carry out a series of tests and trials, in order to determine if it is finally interested in exercising the right of option for the granting of the exclusive license to exploit the Patent.

### **3. EXERCISING THE RIGHT OF OPTION**

IDAI may, at any time during the term of this Agreement, communicate to UPV (as the intermediary between CZU and IDAI), expressly and in writing, if it is interested in exercising the right of option to an exclusive license of the exploitation rights of the Patent. Interest in exercising the right of option shall depend upon success of the Project.

In such case, the negotiations on the specific conditions of the license agreement will be based on the conditions foreseen in the Term Sheet License Agreement attached as Appendix I. However, for clarification purposes, the Parties acknowledge that such conditions are neither final nor binding and that they have only been detailed in order to serve as a basis for the future negotiation of the future license agreement.

UPV and CZU hereby undertake not to enter into agreements with the same or similar object as the present Agreement with third parties, during the term of this Agreement. However, UPV and CZU shall be entitled to continue testing and developing the Patent, as long as no commercial purposes are pursued with third parties unrelated to this Agreement.

Additionally, during the term of this Agreement, UPV and CZU shall bear the costs of maintaining the Patent.

If at the end of the term of this Agreement, IDAI has not expressed in writing its interest in the exclusive license over the Patent, UPV and CZU may freely offer such license to whomever they deem appropriate, without IDAI being entitled to claim compensation for any reason, specifically, but not limited to, loss of business opportunities or loss of profits.

In the event that IDAI is interested in the exploitation of the Patent, the Parties undertake to sign the corresponding license agreement within a maximum period of three (3) months, upon reception by the UPV of the notification from IDAI communicating its interest in exercising the right of option.

#### **4. ECONOMIC TERMS**

IDAI undertakes to pay an amount of eight thousand euros (€8,000), which shall be payable upon signing this Agreement, as consideration for the right of option granted herein.

The payment will be distributed in the following proportion: fifty percent (50%) for CZU and fifty percent (50%) for UPV.

CZU and UPV shall issue the corresponding invoice to IDAI, with reference to this Agreement, after signing thereof. IDAI will have a period of 60 calendar days for the payment of the invoices, from the date of issuance of the same.

The payment of the amounts owed by IDAI to the UPV will be made in the C/C n° 2910543530, opened in the Banco Santander (IBAN: ES69 0049 1827 85 2910543530), in the name of the UPV, or in the one indicated in the invoice issued by the UPV, against invoice in the name of IDAI NATURE S.L.

The payment of the amounts owed by IDAI to the CZU will be made in the C/C n°001046-0006325762/0800, opened in the Česká spořitelna, a.s., Olbrachtova 1929/62, Praha 4. (CZ91 0800 0010 4600 0632 5762, GIBACZPX) in the name of the CZU, or in the one indicated in the invoice issued by the CZU, against invoice in the name of IDAI NATURE S.L.

In the event of non-compliance with the payment term, Law 3/2004, of 29 December, and any other modification or regulation in force that may be enacted in the future on this matter, which establishes measures to combat late payment in commercial transactions, will be applicable.

## 5. CONFIDENTIALITY

During the term of this Agreement and for 5 years after its termination, the Parties undertake not to disclose or communicate to third parties, the knowledge and technical information of the other Parties that, directly or indirectly, are related to this Agreement or have been provided or may be provided in the future, as a result of the execution of the Agreement.

This obligation shall not apply when:

- (a) The receiving Party can demonstrate that it had prior knowledge of the information received.
- b) The information received is or becomes public knowledge.
- c) The receiving Party obtains prior written authorization for its disclosure.
- d) The information is judicially required.

Unless otherwise agreed and unless it is the requirement of legal obligation by the Parties, neither Party shall in any manner disclose to any third party or publicly disclose or make public reference about the facts that the Parties (i) are discussing or intend to initiate discussions on the subject matter hereof or the possibilities to enter into any license agreement; or (ii) have or have entered into or are contemplating to enter or have terminated any business or other relationship.

## 6. NOTIFICATIONS

Any notice, request or communication to be given by the parties hereunder shall be made in writing to the following addresses:

**To IDAI:**

IDAI NATURE

**To UPV**

UNIVERSITAT POLITÈCNICA DE VALÈNCIA

Att. xxxx

Calle Moscú, 10 del Polígono industrial Mas de Tous; 46185 – La Pobla de Vallbona.

Tel: xxxx

Email: xxxx

Att. Ramón Martínez Máñez
Camino de Vera, s/n
46022 Valencia, España
Tel.: 673935881
Email: rmaez@qim.upv.es

**To CZU:**

Česká Zemědělská univerzita

Att. xxxx

C/ Kamýcká 129, Prague, Czech Republic

Zip code: 165 00

Tel: xxxx

Email: xxxx

## 7. PERSONAL DATA PROTECTION AND SENSITIVE INFORMATION

The parties expressly agree to abide by the principles, provisions and security measures set forth in the General Data Protection Regulation EU 2016/679 and any other regulations in force or that are promulgated in the future on personal protection data.

The purpose of the processing of personal data shall have the object that is stipulated in the first clause of this agreement and the administrative management thereof. In the development of such purposes, each party shall have the status of data controller.

The legal basis for the treatment of your personal data is the execution of this agreement, as well as its authorization to execute the same and the purposes described in it.

Interested parties may exercise the rights of access, rectification, deletion, portability, limitation or opposition to the treatment by providing a copy of an official document that identifies them (NIF-NIE, Passport), and if necessary, supporting documentation of their request, before:

- UNIVERSITAT POLITÈCNICA DE VALÈNCIA

Data protection delegate of the Universitat Politècnica de València.

Secretary General

Camí de Vera, s / n.

46022-València.

In case of complaint, the competent authority is the Spanish Data Protection Agency.

The data will be kept under the applicable legislation in commercial, criminal and civil law, as long as there is a relationship between the parties. In general, your personal data will not be communicated to third parties, nor transferred to third countries except for legal obligations

## **8. APPLICABLE LAW AND JURISDICTION**

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Spain. As per any disputes arising in connection with or out of the performance or the interpretation of this Agreement, which the Parties cannot settle amicably, all Parties agree to the exclusive jurisdiction of the competent courts of Valencia, Spain.

IN WITNESS THEREOF, the Parties hereto electronically sign this document on the date indicated on the signature.

**UNIVERSITAT POLITÈCNICA DE  
VALÈNCIA**

**IDAI NATURE, S.L.**



**Mr./Ms.** Salvador Coll Arnau

**Mr./ Ms.** Carlos Ledó Orriach

**CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE**

**Mr./Ms.:** Ing. Jakub Kleindienst, Bursar

**APPENDIX I  
TERM SHEET LICENSE AGREEMENT**

<b>Parts</b>	UNIVERSITAT POLITÈCNICA DE VALÈNCIA (“UPV”), CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE (“CZU”) and Idai Nature (“Idai” o “licensee”) (individually "the Party" and jointly "the Parties").
<b>Non-binding</b>	This Term Sheet is non-binding, and it has been prepared solely to serve as a basis for discussions and to assist in the preparation of final agreements. Unless otherwise specified in writing signed by the Parties, if the Parties fail to execute and deliver such agreements, neither Party shall have any liability to the other Party.
<b>Definitions</b>	<p><b>"Field of Application"</b>: control of pests produced by fungi and bacteria (biocontrol) in the agricultural field. The medical and food sector are excluded.</p> <p><b>"Marketing," "Market"</b>: all activities related to labeling, advertising, promotion, marketing, price-setting action, distribution, storage, offering for sale, selling, and customer service and support.</p> <p><b>"Effective Date"</b>: license signed by all parties.</p> <p><b>"Product"</b>: any product for the induction of plant defenses covered by the claims of Patent PV2016-735 and its international extensions.</p> <p><b>"Territory"</b>: any country where there is a valid Patent Right and in which the company may have commercial rights.</p> <p><b>"Net Sales"</b>: the gross amount invoiced for sales of Idai, Affiliates or Sublicensees, to Customers.</p> <p>Due to intra group organizational reasons, it shall not be considered to this effect as Affiliate or Sublicensee a company of IDAI’s division within the Rovensa international group.</p>
<b>Object</b>	Granting by UPV and CZU and the acceptance by Idai Nature of an exclusive license, on the Patent Rights (PV2016-735), for:  Develop, use and Market the Product in the Territory and the Field of Application.
<b>Rights Retained by Universities in the Field of Application.</b>	The UPV and the CZU will maintain the right to use any of the licensed Patent Rights for non-commercial purposes, particularly for their internal research, development, and academic activities.

<b>Development</b>	Licensee, by itself or through its licensors and sublicensees, will use commercially reasonable efforts to develop a Product for commercial use. Expressly, it is understood that it will be pertinent to carry out the following activities: Activity	Time from license signature
	Industrial scaling	6 months
	Efficacy trials	1 year
	Efficacy trials (2nd year)	2 year
	Registration of Products as plant protection products	Submission of application Registration 2 years
<b>Time to Market</b>	It will be five years, extendable max two years (upon justification).	
<b>Payment to the Licensor</b>	The Licensee will pay UPV and CZU (50% each one) € 40,000 payable upon the signature of the license agreement. (Payments can be spread in 2 years into two separate annual installments).	
<b>Payment Maintenance Fee</b>	The Licensee will pay the UPV and CZU (50% each) € 10,000 due 30 days after each anniversary of the Effective Date until the expiration of the last valid Claim of the Patents under license. Intended to cover protection costs partially.	
<b>Royalties</b>	<ul style="list-style-type: none"> <li>• 3.75% on Net Sales for Net Sales between €1 and €1,000,000 per year</li> <li>• 3.25% on Net Sales for Net Sales between €1,000,001 and €3,000,000 per year</li> <li>• 2.75% on Net Sales for Net Sales from € 3,000,001 per year</li> </ul> <p>The Licensee will pay the UPV and CZU (50% each) €10,000/year due 30 days after each anniversary of the Effective Date until the start of marketing. And as long as the amount of the Royalties does not exceed € 10,000.</p> <p>Royalties will be paid at the beginning of each calendar year, taking into account the previous year's sales, country by country, and Licensed Product by Licensed Product until the expiration of the Valid Claims covering the sale of such Licensed Product in that country.</p>	
<b>Sublicenses</b>	Sub-licenses require prior approval by the UPV and the CZU.	
<b>Payment for Sublicenses</b>	In the case of sublicenses, the payments to be received will not be less than those that UPV and CZU would receive if the sale were made directly by Idai.	



<b>Patent Defense</b>	<p>In the event of an infringement of any Patent Right in the Field of Application by a Third Party, the Parties shall cooperate and make reasonable efforts to stop such breach without reaching legal litigation. Idai shall be obligated to promote and develop any necessary lawsuit, action, or legal proceeding if litigation is required.</p> <p>The UPV and the CZU will collaborate with Idai in any trial, demand, claim, etc., due to infringement of any Patent right by a Third Party.</p> <p>The licensee shall cover all associated costs.</p>
<b>Responsibilities</b>	<p>The Licensee will hold the UPV and the CZU harmless for the liability arising from using the Licensed Patent by the Licensees.</p>
<b>Termination</b>	<p>Either Party may terminate the License in the event of material non-remediation by the other Party.</p>
<b>Other issues</b>	<p>If the assistance of the UPV or CZU (or both) is required for product development or field tests, the service will be regulated in a separate contract.</p>