

SETTLEMENT AGREEMENT

(hereinafter as „Agreement“)

concluded in accordance with § 2991 as follows of Act. No. 89/2012 Coll., Civil Code, as amended (hereinafter as „Civil Code“) between the contracting parties:

Ústav molekulární genetiky AV ČR, v. v. i.

with its registered office at: Vídeňská 1083, 142 20 Prague, Czech Republic

Registration No.: 68378050

VAT ID: CZ68378050

represented by: RNDr. Petr Dráber, DrSc., director
(hereinafter referred to as the „Buyer“)

a

HighRes Biosolutions Inc.

with its registered office at: Cherry Hill Drive 102, Beverly, MA 01915, USA

Registration No.: 20-1693803

VAT ID: 20-1693803

represented by: [REDACTED]
(hereinafter referred to as the „Seller“)

(“Buyer” and “Seller” hereinafter also collectively referred to as the “Contracting Parties”)

Article I.

1. A Purchase Contract No. 2020-993 has been concluded on 18th December 2020 between the Buyer and the Seller. The subject of the Purchase Contract was delivery of robotic station (hereinafter referred to as “Subject of Contract”) and provision of related services, for which the Buyer paid a purchase price.
2. The subject of this Agreement is settlement of legal matters between the Contracting Parties, emerging from the Purchase Contract.
3. The Subject of Contract had multiple defects and the Seller was in delay with removal of these defects, therefore Buyer made multiple claims against the Seller, requiring payment of contractual penalties according to the Purchase Contract.

Article II.

1. The Contracting Parties have reached agreement about these defects and their corresponding contractual penalties:
 - a. Defect of robotic platform equipment (specifically TundraStore), reported on 23rd November 2021. In accordance with the Article VI(3) of the Purchase Contract, the period of 45 calendar days for remedy of the defect started to run on 23rd November

2023, thus the period expired on 7th January 2022 (since the defect has not been remedied neither has the Seller fulfilled its company's obligation to inform the Buyer by this date about the reason why deadline was not met and agree with the Buyer on a new deadline). The 7th January 2022 also became the commencing date of the 60 calendar days deadline after which the Buyer became entitled to claim contractual penalty according to Article VII(3) of the Purchase Contract, which is 5.000,- CZK for each new day of delay with the removal of defect. The deadline of 60 calendar days fell on 8th March 2022. The defect was removed on 28th June 2022, thus the last applicable day of contractual penalty was 27th June 2022, which means the Buyer is entitled to contractual penalty covering 112 days, i.e. 560.000,- CZK in total (112 days at 5.000,- CZK per day).

- b. Defect of robotic platform equipment (specifically Xpeel), reported on 2nd November 2021. (Already discovered by both Contracting Parties during the Site Acceptance Test, which took place on 22nd October 2021, which preceded the official Handover Protocol of the Subject of Contract on 2nd November 2021.) In accordance with Article VI(3) of the Purchase Contract, the period of 45 calendar days for remedy of the defect started to run on 2nd November 2021 (the date when the warranty period commenced), thus the period expired on 17th December 2021 (since the defect has not been remedied neither has the Seller fulfilled its company's obligation to inform the Buyer by this date about the reason why deadline was not met and agree with the Buyer on a new deadline). The 17th December 2021 also became the commencing date of the 60 calendar days deadline after which the Buyer became entitled to claim contractual penalty according to Article VII(3) of the Purchase Contract, which is 5,000 CZK for each new day of delay with the removal of defect. The deadline of 60 calendar days fell on 15th February 2022. The defect was removed on 10th June 2022, thus the last applicable day of contractual penalty was 9th June 2022, which means the Buyer is entitled to contractual penalty covering 114 days, i.e. 570,000 CZK in total (114 days at 5,000 CZK per day).
 - c. Defect of robotic platform equipment (specifically SteriStore), reported on 20th January 2022. In accordance with the Article VI(3) of the Purchase Contract, the period of 45 calendar days for remedy of the defect started to run on 20th January 2022, thus the period expired on 6th March 2022 (since the defect has not been remedied neither has the Seller fulfilled its company's obligation to inform the Buyer by this date about the reason why deadline was not met and agree with the Buyer on a new deadline). The 6th March 2022 also became the commencing date of the 60 calendar days deadline after which the Buyer became entitled to claim contractual penalty according to Article VII(3) of the Purchase Contract, which is 5,000 CZK for each new day of delay with the removal of defect. The deadline of 60 calendar days fell on 5th May 2022. The defect was removed on 11th May 2022, thus the last applicable day of contractual penalty was 10th May 2022, which means the Buyer is entitled to contractual penalty covering 6 days, i.e. 30,000 CZK in total (6 days at 5,000 CZK per day).
2. The Contracting Parties also agree that the Buyer has paid numerous customs fees and taxes (e.g. VAT) beyond the amount agreed in the Purchase Contract (as the price listed in Article IV. is a maximal price), related to claims of defects covered by warranty and delivery or missing or faulty components and the Seller agrees to reimburse these costs. The total amount is 84,778.11 CZK.
 3. **The Contracting Parties thus agree that the Buyer is thus entitled to a payment totalling 1,244,778.11 CZK. The Buyer shall issue an invoice once this Agreement becomes effective according to Article III(4) of this Agreement.**

4. The Contracting Parties agree that all claims according to Article II. shall be settled in full in a form of financial credit against 1) future performance or services, which the Seller shall provide to the Buyer after the end of the warranty period according to the Purchase Contract, or 2) any other financial commitments / obligations of the Buyer towards the Seller. If such services will not be provided in full until 31st December 2024, the Seller shall pay the remaining debt to the bank account specified by the Buyer, at latest by 31st January 2025.
5. The Buyer waives its claim for payment of interest on late payment of the aforementioned claims, in relation to the period preceding the signature of this Agreement.
6. If the debt is not settled by the 31st January 2025, the Seller undertakes to pay the Buyer also a contractual penalty of 0,5 % of the amount owed and the financial interest according to the Czech laws.
7. In order to avoid any future disputes, the Contracting Parties declare, that the warranty period for the entire subject of the Purchase Contract according to the Purchase Contract is always extended by the amount of days corresponding to the amount of days, during which there was (or is, or will be) a reported unresolved defect.

Article III.

1. This Agreement is the entire agreement between the Contracting Parties and supersedes all previous agreements between the Contracting Parties (in respect of matters referred to in this Agreement).
2. Changes to this Agreement may be made only by written amendments signed by authorized representatives of both Contracting Parties.
3. The Agreement is governed by the laws of Czech Republic, with jurisdiction of Czech courts, according to the registered seat of the Buyer. Conflict of law provisions do not apply.
4. This Agreement is concluded on the date of signature by both Contracting Parties and becomes effective on the date when it is published in Contract Register according to Act No. 340/2015 Coll., as amended. The Contracting Parties agree that publishing in Contract Register will be ensured by the Buyer.
5. This Agreement is drawn up in two copies, each of which has the validity of an original and of which each of the contracting parties will receive one copy.
6. The contracting parties confirm that they have read this Agreement before signing it and that they agree with its content without reservation. The agreement is an expression of their true, real, free and serious will. In order to prove the authenticity and truthfulness of these declarations, the authorized representatives of the Contracting Parties attach their handwritten signatures.

Prague, date: *Dec 28 2022*Beverly, date: *Dec 20 2022*

Ústav molekulární genetiky AV ČR, v. v. i.

HighRes Biosolutions Inc.


RNDr. Petr Dráber, DrSc.
director
CEO