**Contract for work**

**Modification and Certification of the SAR Radar System onto a**

**Cessna C-208 Series Caravan**

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**Contractor**

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| **Name**  | **Lake Central Air Services** |
| Registered office | 1016 Sabre Lane, Muskoka Airport, Gavenhurst ON, P1P 1R1, CANADA |
| Comp. ID No (IČ) | 1941369 | VAT | NA |
| Represented by | Yisroel Weinreb |  | CEO |

**and**

**Customer**

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| Name | **Ústav výzkumu globální změny AV ČR, v. v. i.**(Global Change Research Institute CAS) |
| Registered office | Bělidla 986/4a, Brno, post code 603 00 |
| Comp. reg. No (IČO) | 86652079 | Tax ID No (DIČ) | CZ86652079 |
| Registered in  | Register of Public Research Institutions  |
| Represented by  | prof. RNDr. Ing. Michal V. Marek, DrSc., dr. h. c., Director |

Pursuant to section 2586 of Civil Code, the above parties conclude the following contract:

1. **Subject matter of contract**
	1. The contractor undertakes to perform the work at its own costs for the customer and the customer undertakes to take over the work and pay the price for it.
	2. The work is Modification and Certification of the SAR Radar System onto customers Cessna C-208 Series Caravan based on quote No. LCA-GCRI-2022-Q1-R0 which is annex No. 1 of this Contract.
2. **Work implementation**
	1. The Contractor is obliged to perform at least the following works:
		1. Procure and Modify Caravan Cargo Doors as per STC STC SA22-50
		2. Drafting as required to add new configuration to existing STC.
		3. Certification Documents as required to add new configuration to existing STC.
		4. Engineering and reports as required to add new configuration to existing STC.
		5. TCCA STC Fee for re-issuance of existing STC for new configuration.
		6. Administration
		7. EMI Ground and Flight test Support as required.
		8. Assistance as required to obtain EASA validation of existing STC.
	2. The contractor fulfils this contract with professional care while it protects the rights of third parties and public sources. The contractor fulfils this contract by means of duly trained and qualified persons.
3. **Deadlines of fulfilment**
	1. The completed and faultless work will be handed over **by 31st****of October 2023.**
	2. The customer understands that the contractor is not responsible for delays caused by the TCCA process or the EASA verification process.
	3. It is possible to hand the work over earlier.
4. **Price of the work**
	1. The price of the work excluding VAT is: **USD** **69,000,00**
	2. The price is depending on the availability of surplus cargo doors. If OEM new doors are needed price will increase accordingly based on numbered supplement to this contract
	3. The price is agreed as the highest permissible price including all the expenses of the seller regarding fulfilment of this contract and price impacts in the course of fulfilment of this contract without shipping costs, EASA fees or costs.
	4. VAT at the statutory rate will be added to the price excluding VAT.
5. **Payment terms**
	1. The price of the work will be paid on the basis of a single invoice. An annex to the invoice will be a copy of the report on the implemented analysis.
	2. All the invoices will have the particulars of a tax document.
	3. The due date of all the invoices is 25 days from the day of issue of the invoice.
	4. Within the due date, the customer is entitled to return an invoice with defects. The contractor is obliged to submit a new invoice or a corrected invoice with the new due date.
	5. The customer is obliged to deliver the invoice to the address of the registered office of the buyer latest within 5 working days after the work takeover is confirmed.
	6. An invoice is paid on the day when the corresponding amount is charged of the customer’s account.
	7. The contractor is entitled to request an advance payment of up to 50% within 30 days after signing the contract
6. **Representatives of the parties**
	1. The representative of the customer is xxxxxxxxxxxxxxxx. This representative of the customer may perform any acts on behalf of the contractor in connection with this contract. However, she cannot change or terminated this contract.
	2. The representative of the contractor is xxxxxxxxxxxxxxx. This representative of the contractor may perform any acts on behalf of the contractor in connection with this contract. However, he cannot change or terminated this contract.
7. **Interests on overdue payments and contractual penalties**
	1. The party which is in delay with payment of a financial liability, the other party, if it fulfils duly its contractual and legal obligations, may require payment of an interest on overdue payment, except the cases when the party which is in delay is not responsible for its delay. The parties agree on an **interest on overdue payment** at the amount of **0.025 % of the due amount per day**.
	2. The customer will apply a **contractual penalty** at the amount of **USD 100 per day** if the contractor is in delay with the work handover.
	3. A separate invoice will be issued for the contractual penalty with the due date of 30 days. The day of taxable supplies is considered to be the day on which the invoice is issued.
	4. The parties agree that the obligation to pay the contractual penalty does not exclude the right for damage compensation at the amount at which it exceeds the contractual penalty. If the contractual penalty is decreased by the court, the right for damage compensation is maintained at the amount at which the damage exceeds the amount determined by the court as adequate, without any further limits.
8. **Contract termination**
	1. The contract can be terminated by a written agreement.
	2. The contract can be terminated by withdrawal from the contract. Withdrawal must be made in writing.
	3. The customer can withdraw from the contract in the cases stipulated by law and also in the following cases:
		* 1. Work handover delayed by more than 45 days.
			2. Work is implemented by persons who are not duly trained and qualified.
			3. Bankruptcy proceedings have been commenced in which the contractor is in the position of the debtor.
	4. The contractor can withdraw from the contract in the cases stipulated by law and also in the following cases:
		* 1. Bankruptcy proceedings have been commenced in which the customer is in the position of the debtor.
			2. The customer is in delay with payment of invoices for more than 45 days.
	5. However, the contractor cannot withdraw from the contract if the customer insists on implementation of the work according to a certain order or using a certain item or if the contractor finds hidden obstacles in the area of the building site.
9. **Joint provisions**
	1. Neither of the parties is allowed to transfer a receivable or debt arising from this contract or this contract to a third party without consent from the other party which must be given in writing.
	2. Each party takes over a risk of change of circumstances pursuant to section 1765 of Civil Code for its debts arising on the basis of this contract.
	3. No rights and obligations of the parties can be inferred from the practice established between the parties or from the customs observed generally or in the particular field concerning the subject matter of fulfilment of this contract.
	4. If any of the provisions of this contract proves to be imaginary (nugatory), the impact of this defect on the other provisions of the contract will be assessed similarly pursuant to section 576 of Civil Code.
	5. The parties exclude application of the following provisions of Civil Code to this contract: section 557 (contra proferentem rule).
	6. The contractor is aware of the fact that it is a party obliged to cooperate during the financial inspection. The contractor is obliged to bind all its subcontractors for cooperation during the financial inspection.
	7. The parties agree that the court competent for hearing of and deciding in any possible disputes arising between the customer and the contractor pursuant to this contract or in connection with it is the general court of the customer.
10. **Final provisions**
	1. This contract is governed by Czech legal regulations, with the exception of collision provisions. All the negotiations concerning the work and its implementation are held in Czech language.
	2. This contract can only be changed in writing in the form of a numbered supplement to this contract signed by both parties. A debt arising in connection with this contract can only be agreed in writing.
	3. The contracting parties acknowledge that for its effectiveness this contract requires the publication in the registry of contracts pursuant to the Act no. 340/2015 Coll., and they agree with this publication. The Customer secures sending of the contract to the registry of contracts immediately after the contract is signed by both contracting parties. The Customer undertakes to inform the other party about the registration by sending a copy of the confirmation of the publication from the administrator of the registry of the contracts to the other party without undue delay after the Customer himself receives this confirmation.
	4. This contract is prepared in 2 counterparts and each party shall obtain 1 of them.

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| Gravenhurst on this day | Brno on this day |
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| Yisroel Weinreb | prof. RNDr. Ing. Michal V. Marek, DrSc., dr. h. c. |
| CEO | DirectorÚstav výzkumu globální změny AV ČR, v. v. i. |
| Lake Central Air Services | (Global Change Research Institute CAS) |