**SUBCONTRACT ON DEVELOPING**

**L BAND UNMANNED AERIAL VEHICLE TRANSCEIVER**

**FOR CONNECTIVITY IN ALL FLIGHT PHASES**

Between:

**Honeywell International s.r.o.**

(hereinafter called ''the Contractor" or ,,Honeywell"), whose Registered Office is at:

V Parku 2325/16

148 00 Prague 4 - Chodov,

Czech Republic

registered in the Company Register kept by the Municipal Court in Prague, Section C, Insert 119257, Id. No.: 276 17 793, Tax Id. No.: CZ27617793

represented by its company executive, Mgr. David Kozak

on one part.

and:

**Brno University of Technology** (hereinafter called ''the Subcontractor" or “BUT”' ), whose primary office is at:

Antonínská 548/1, 601 90 Brno

Faculty of electrical engineering and communications

Technická 3058/10, 616 00 Brno

Id.No.: 00216305, Tax Id. No.: CZ 00216305

dean prof. RNDr. Vladimír Aubrecht, CSc.

on the other part.

have agreed as follows:

**ARTICLE 1: SUBJECT OF THE SUBCONTRACT; GENERAL TERMS OF EXECUTION**

1.1 Honeywell and the European Space Agency (hereinafter called the “ESA” or “Agency”) signed a contract No. 4000141265/23/UK/ND (hereinafter the ,,Contract" or Project")

1.2 Subcontractor undertakes to cooperate with Honeywell on performance of the development referred to in the previous Clause 1.1 under the above-mentioned Contract and to deliver the corresponding items listed in Appendix 2 of this Subcontract: Statement of Work for activities and deliverables provided by the Subcontractor (all hereafter referred to as "the Work").

1.3 Honeywell undertakes to provide the overall project management based on the Contract, accept deliverables provided by the Subcontractor and to pay for such deliverables in accordance with this Subcontract.

1.4 The Work shall be performed in accordance with the provisions stated in the following documents, listed in order of precedence in case of conflict:

a) The specific articles of this Subcontract;

b) The General Clauses and Conditions for ESA Contracts (herein referred to as GCC), reference ESA/REG/002, rev. 3 not attached hereto but known to both Parties and incorporated herein by reference as if set forth in full and available on esastar https://esastar-publication.sso.esa.int/supportingDocumentation/filter/all, as amended by this Sub-contract;

c) Appendix 2 hereto: The Statement of Work for activities and deliverables provided by the Subcontractor;

f) Appendix 4 hereto: MoM L-band UAV Terminal for connectivity in all flight phases AO 11196 Negotiation meeting;

d) Appendix 1 hereto: the Agency's Statement of Work, 002.11196ews.pdf

e) Appendix 3 hereto: Standard Requirements for Management, Reporting, Meetings and Deliverables and its Annex A: Layout for Contract Closure Documentation;

g) Appendix 5 hereto: The Contract Change Notice; and

h) Appendix 6 hereto: Subcontractor's Insurance

1.5. The General Clauses and Conditions for ESA Contracts, ref. ESA/REG/002. REV 3 (GCC) applies to this Subcontract with the following complements and amendments:

1.5.1 The Parties to this Subcontract have agreed that with respect to application of the GCC, save where modified or excluded below, "Contractor" means Subcontractor, "Contractor's Legitimate Commercial Interests" may include either Commercial Interests of Honeywell or Commercial Interest of Subcontractor or both, as may be appropriate, and "Agency" includes Honeywell to the extend necessary to enable Honeywell to administer this Subcontract and to perform its obligations under the Contract, or associated contracts relating to this Project. Timelines to perform Agency's obligations shall, for the purposes of this Subcontract, be extended by 10 days to allow Honeywell to comply with the Contract.

1.5.2 Nothing in Clause 1.5.1 shall be construed, however, to impose upon Honeywell any duties or obligations of the Agency, which are specific to Agency only, and owed directly to the Subcontractor.

1.5.3 For these purposes the references to ,,Contract" should also mean this Subcontract. To the extent that this Subcontract does not contain a conflicting definition, GCC definitions apply to this Subcontract.

1.6 General Terms of Execution

1.6.1 The Works specified in this Subcontract shall be performed with the level of skill, care and diligence to be displayed by an expert professional and in accordance with the requirements of the Contract. Workmanship shall conform to the technical standards specified in the Contract.

1.6.2 The Agency and/or Honeywell shall have the right to inspect the performance of the Works under the Subcontract at the Subcontractor's Premises during working hours following a five (5) Day prior notice. The Agency shall also have the right to perform cost and rate audits as provided for in the Implementing Instruction on audit rights (ref: ESAIIPC(2009) 97, rev. 2 issued as Annex I to ESAIREG/001). The Agency shall further have the right to conduct audits itself or through authorized national agents with respect to quality assurance at the Subcontractor's Premises where the work is/ or shall be carried out.

1.6.3 The Sub-contractor shall, in accordance with any applicable security regulations, give the Agency's and/or Honeywell's representatives access to its premises and shall give all other necessary assistance in order that they may fulfil their tasks.

1.7 The Subcontractor shall be fully responsible to Honeywell for the proper execution of the Work. Time is of the essence in respect of the Final Report delivery (as set out in the Statement of Work in Appendix 2).

1.8 Key Contacts

1.8.1 Approval / Representatives of the Parties during Contract Execution

There are two statutory representatives of Honeywell, Mr. Oliver Stucky and David Kozak, the Company Executives. They are authorized to sign on behalf of Honeywell independently.

Honeywell's representatives are:

a) Mr. Jaromir Stecha, Honeywell International s.r.o. V Parku 2325/16, Prague 14800, Czech Republic, Program Manager, for general project related communications:

All correspondence for technical matters, or a person duly authorized by him ("Technical Officer" will be addressed as follows:

|  |  |  |
| --- | --- | --- |
|  | To: | With copy to: |
| Name | xxx | xxx |
| e-mail | xxx | xxx |

b) Lucie Hanušová, Procurement support, for contractual or administrative matters, or a person duly authorized by her (“Contracts Officer");

All correspondence for contractual and administrative matters (with exception of invoices as mentioned in 4.1 above) will be addressed as follows:

|  |  |  |
| --- | --- | --- |
|  | To: | With copy to: |
| Name | xxx | xxx |
| e-mail | xxx | xxx |

1.8.2 All correspondence for the Subcontractor shall be addressed as follows:

Vysoké učení technické v Brně

Fakulta elektrotechniky a komunikačních technologií

Technická 3082/12, Královo Pole, 61600, Brno, Česká republika

a) All correspondence for technical matters will be addressed as follows:

|  |  |  |
| --- | --- | --- |
|  | To: | With copy to: |
| Name | xxx | xxx |
| e-mail | xxx | xxx |

b) All correspondence for contractual and administrative matters will be addressed as follows:

|  |  |  |
| --- | --- | --- |
|  | To: | With copy to: |
| Name | xxx | xxx |
| e-mail | xxx | xxx |

1.8.3 Upon Honeywell's request Subcontractor shall make the relevant Subcontractor's personnel available to attend meetings to be held under this Subcontract and, when appropriate, to also attend alongside Honeywell meetings with the Agency relevant to the Subcontract.

1.8.4 The Parties hereby agree that with respect to application of the Appendix 3: Standard Requirements for Reporting, Meetings and Deliverables, the duties and obligations of Honeywell (as may be modified by Appendix 1 and/or Appendix 3 to this Subcontract) to the Agency shall also be considered duties and obligations of the Subcontractor to Honeywell, and that the rights and remedies available to the Agency should the Subcontractor fail to perform are also available to Honeywell. If Honeywell received a notice of a planned visit to the Subcontractor from the Agency, it will pass on such notice to the Subcontractor. Honeywell will notify the Subcontractor about the meetings at which presence of the Subcontractor is required.

1.8.5 Any changes to the key personnel carrying out the Works must be notified to Honeywell and the Agency with an explanation. Agency might reject this within 10 days from notification and request replacement of key personnel. Subcontractor shall assure that the situation is resolved to Agency's satisfaction within 28 days from notification.

**ARTICLE 2: DELIVERY REQUIREMENTS; PLACE AND DATE OF DELIVERY**

2.1 Time limits for the provision of Deliverables and services

Sub-clauses 14.1 and 14.2 of GCC shall be modified as follows:

2.1.1 Delivery will be considered as effected only when the relevant deliverable items are in Honeywell's possession.

2.1.2 Should it seem likely that the originally specified delivery date(s) may be exceeded, the Subcontractor shall immediately notify Honeywell in writing and provide a detailed justification for the delay. Subcontractor is responsible for all costs and penalties incurred by Honeywell as a result of Subcontractor's delayed or missed delivery, limitation set out in Clause 17 of GCC applies.

2.1.3 No price adjustment in favor of the Subcontractor will be applicable for the period of delay in delivery. Should Honeywell or the Agency conclude that the delays in delivery have impaired the intended objectives of the Work, the provisions of article 3.2 below shall apply.

2.2 Handling, packing and transport

2.2.1 In addition to Clause 15 of GCC the following shall apply:

The Subcontractor will be responsible for the appropriate marking, packing, package labelling, relative to all deliverable items due hereunder and shall bear any cost relative to all of the above.

All work shall be delivered to the following address:

Honeywell International s.r.o., Tuřanka 100, 627 00 Brno, Czech Republic

2.3. Acceptance and rejection

2.3.1 The following replaces Sub-clause 16.1 of GCC and modifies Sub-clauses 16.3, 16.5 and 16.6: The acceptance by Honeywell and the Agency of the deliverables shall be declared upon verification, by Honeywell, that the Work has been performed in compliance with Honeywell's and Agency's requirements and that the required results have been achieved. In the absence of receipt of an express acceptance by Honeywell within two calendar months counting from the time of submission of the final Work by Honeywell to the Agency for acceptance, the said deliverables will be considered accepted. The provisions of article 3.2 below shall apply in this respect.

2.3.2 For the avoidance of doubt, Sub-clauses 16.2, 16.4 and 16.7 of GCC remain unaltered.

2.4 Deliverable Documents

The Subcontractor shall, during the performance of this Subcontract, deliver all documentation and reports specified in Appendix 2, in the format and quantities specified therein.

2.4.1 The final documents as defined in Appendix 2 shall be submitted for approval, in electronic format, to Honeywell's Technical Officer specified herein, at the dates defined within the Appendix 2 (Statement of Work for work provided by the Subcontractor).

2.5 Hardware

With use of Honeywell provided components (listed in Appendix 2), the hardware specified also in Appendix 2 shall be delivered to Honeywell's Technical Officer as specified in Appendix 2.

For the avoidance of doubt, it is noted that the Sub-contractor will use its own test setup for testing of deliverables created under this Sub-contract.

2.6 Import and Export Compliance

In addition to Sub-clause 15.3 of the GCC the following applies:

2.6.1 The Subcontractor will ensure compliance with the Act No. 38/1994 Coll, on international business with military items as amended, and the Act No. 594/2004 Coll., implementing Community Regime for the control of exports, transfers, brokering and transit of dual-use items.

2.6.2 As concerns the feasibility to export the deliverable items resulting of this Subcontract, the Subcontractor declares that it has examined the case and will confirm to Honeywell if it has drawn the conclusion that the Deliverables are export controlled.

2.6.3 The Subcontractor will first obtain the written consent of Honeywell before submitting any request for authority to export or re-export any drawing, data, hardware, equipment or other item provided to the Subcontractor by Honeywell.

2.7 Force Majeure

Sub-clause 14.3 of the GCC shall be replaced with the following:

2.7.1 In case a Force Majeure event has occurred, the affected Party shall report to the other Party the Force Majeure event and its immediate consequences within one (1) week after its occurrence. The Party claiming the Force Majeure shall bear the burden of proof for the existence, duration, and consequences of Force Majeure, such proof to be provided within one (1) Month from the occurrence of the Force Majeure event.

2.7.2 The Party affected by the Force Majeure event will not be considered at default and its obligations under the Subcontract will be suspended during the Force Majeure event. The affected Party shall make reasonable efforts to mitigate the impact on the schedule and the performance of its contractual obligations.

2.7.3 Force Majeure event at the Subcontractor's level will be considered a case of Force Majeure for the performance of the Honeywell's obligations, if the Honeywell proves to the Agency that the delay in the Delivery of the equipment or works covered by the Subcontract due to the Force Majeure event had an unavoidable impact on the final delivery dates stipulated in the Contract. The Subcontractor will offer Honeywell all necessary cooperation to provide evidence on impact of the Force Majeure event at the Sub-contractor level.

2.7.4 In case of Force Majeure, an extension of the time-limit for execution or a postponement of delivery dates may be granted. Honeywell will postpone delivery dates in respect to the Subcontractor only if the Agency will postpone such delivery dates in respect to Honeywell.

2.7.5 The occurrence of Force Majeure shall not entitle either Party to any additional payment or compensation.

2.7.6 For the purpose of this Contract the term Force Majeure means an event which is, unforeseeable, unavoidable and external at the time of Subcontract signature, occurs beyond the control of the affected Party and renders the performance of the Subcontract impossible for the affected Party, including but not limited to: governmental administrative acts or omissions, consequences of natural disasters, epidemics, war hostilities, terrorist attacks.

**ARTICLE 3: LIABILITIES, WARRANTY, COMPLIANCE WITH STATUTORY AND OTHER OBLIGATIONS**

3.1 Scope of Warranty

Sub-clause 21.5 of the GCC shall not apply to this Subcontract and Sub-clause 21.1 of GCC is replaced in its entirety with the following:

3.1.1 The warranty provisions shall be applicable to all items contained in the Deliverables under this Subcontract with the exception of commercial, off-the-shelf, Third Party products, not integrated in the Deliverable(s). In case of those excepted products their own product warranty shall apply. The Sub-contractor undertakes, within this warranty obligation, to remedy at its own expense and with due diligence any Defect which may appear in the Deliverables during the period stated in Clause 22 of the GCC.

3.1.2 Clause 23.2 of the GCC shall not apply.

3.2 Honeywell's Rights in Case of Subcontractor's Under-Performance

3.2.1 Should any of the results of the Work fail to meet the agreed requirements and/or specifications, Honeywell reserves the right to reject such results and require their resubmission following an iteration of the relevant work by the Subcontractor at no additional charge.

3.2.2 Should any of the results of the Work fail to meet the agreed requirements and/or specifications to such an extent as to seriously jeopardize the performance of this Subcontract and/or to defeat its objectives, and Subcontractor fails to remedy the breach within 30 calendar days after receipt of written notice that specifies the grounds for such failure, Honeywell reserves the right to terminate this Subcontract.

3.2.3 Should the delay described in article 3.2.2 jeopardize Honeywell's timely submission of the draft Final Report under the Contract, Subcontractor shall reimburse a penalty Agency may levy as a result. This reimbursement will be without prejudice and in addition to any other remedies that may be available to Honeywell under this Subcontract with the limitation for late delivery in GCC (17.1.2. GCC).

3.3 Infringement of the Law - Infringement of Third Party Rights

3.3.1 Honeywell shall not be responsible if the Subcontractor infringes the local laws or statutes or laws or statutes of any other country whatsoever.

3.3.2 Clause 26 of the GCC applies subject to this sub-clause. The Subcontractor shall, at its expense, defend and indemnify Honeywell and Agency from and against any and all loss, expense, damage, costs, claim, demand or liability, including reasonable attorney and professional fees and costs, and the cost of settlement, compromise, judgment, or verdict incurred by or demanded from Honeywell and/or Agency in relation with the Work under this contract performed by Sub-contractor arising out of, resulting from, or occurring in connection with any (a) patent, copyright, or trademark infringement; (b) unlawful disclosure, use, or misappropriation of a trade secret; (c) entity seeking disclosure of Honeywell proprietary source code due to free or open source software incorporated by or on behalf of the Subcontractor into the Work supplied under this Subcontract or damages related thereto; or (e) violation of any other third-party intellectual property right, and from expenses incurred by Honeywell or Agency in defence of such suit, claim, or proceeding if Subcontractor does not undertake the defence thereof.

3.3.3 Subcontractor will have the right to conduct the defence of any such claim or action and, consistent with Honeywell or Agency's rights hereunder, all negotiations for its settlement. But in no event will Subcontractor enter into any settlement without Honeywell's prior written consent, which will not be unreasonably withheld. Honeywell may participate in a defence or negotiations to protect its interests. If an infringement claim is upheld or is reasonably believed by Honeywell to be upheld, or if any injunction or restraining order is issued, Subcontractor will, at its expense, either obtain for Honeywell and Agency the right to continue using the Works or replace or modify them to make them noninfringing, provided that the replacement or modification is acceptable to Honeywell and does not impair the performance or functionality of other Works supplied under the Contract. Any modification to or substitute for any infringing Works provided pursuant to this clause, will be subject to all of the terms and conditions of this Contract, including, without limitation, the indemnification provisions in this Intellectual Property Indemnification clause.

3.4 Liability for Damage to Staff and Goods

Sub-clause 18. l is replaced in its entirety with the following:

3.4.1 Liability for Sub-contractor's employees

Sub-contractor retains the right to exercise full control of, supervision over and responsibility for Sub­ contractor's performance hereunder, including the employment, direction, compensation and discharge of Sub-contractor's personnel, as well as compliance with workers' compensation, unemployment, disability insurance, social security, withholding and all other laws, rules, codes, regulations and ordinances governing such matters. Sub-contractor represents and warrants that it and all its sub­ contractors, if any, comply and will continue to comply with all applicable employment laws and regulations related to personnel working on the Project.

3.4.2 Sub-contractor has no claim and no recourse against Honeywell or the Agency for injuries to its personnel, including death, sustained by virtue of their involvement in the execution of the Sub­ contract or for damages to goods owned by or leased or bailed to the Sub-contractor (excluding items covered by clauses 11 and 12 of the GCC and Deliverable(s)), if the occurred damage arises from the execution of the Sub-contract. The foregoing sentence shall not be applicable in the case of any claim for injury to persons or property results from (or is alleged to result from) gross negligence or willful misconduct of Honeywell or the Agency. Clause 18.1.2 of GCC shall apply as exclusion to this article 3.4.2.

3.4.3 The Sub-contractor shall defend Honeywell against all claims relating to bodily injury (up to and including death) that are caused by the sole negligence of Sub-contractor's employees who are directly involved in the execution of the Sub-contract and shall indemnify and hold Honeywell harmless from and against all damages, expenses (including reasonable attorney's fees) and losses finally awarded in connection therewith, provided Honeywell provides prompt written notice to Sub-contractor of any such claim, all reasonable assistance in the defence or settlement thereof (at Sub-contractor's sole expense) and promptly tenders sole control of the defence and/or settlement thereof to Sub-Contractor.

3.4.4 Honeywell has no claim and no recourse against the Sub-contractor for injuries to Honeywell's personnel, including death, sustained by virtue of their involvement in the execution of the Sub­ contract, if the occurred damage arises from the execution of the Sub-contract. The foregoing sentence shall not be applicable in the case of any claim for injury to persons or property results from (or is alleged to result from) gross negligence or willful misconduct of the Subcontractor. Clause 18.1.2 of GCC shall apply as exclusion to this article 3.4.4.

3.4.5 Honeywell shall defend the Sub-contractor against all claims relating to bodily injury (up to and including death) that are caused by the sole negligence of Honeywell employees who are directly involved in the execution of the Sub-contract and shall indemnify and hold the Subcontractor harmless from and against all damages, expenses (including reasonable attorney's fees) and losses finally awarded in connection therewith, provided the Sub-contractor provides prompt written notice to Honeywell of any such claim, all reasonable assistance in the defence or settlement thereof (at Honeywell's sole expense) and promptly tenders sole control of the defence and/or settlement thereof to Honeywell.

3.5 Insurance

3.5.1 To the extent permitted by law the Subcontractor will maintain, at their sole cost and expense (including deductibles), insurance cover at the minimum as set out in Appendix 6 to this Subcontract.

3.5.2 Such insurances will be maintained with insurers licensed to do business in the Czech Republic and that have the financial strength to meet their ongoing policy holder obligations. Promptly but not later than within 10 days after receipt of a written request from Honeywell (but no more than once per calendar year), Subcontractor will provide Honeywell certificates of insurance from its carrier(s) or their authorized representative on the foregoing coverages. Subcontractor or their insurers will provide Honeywell 30 days advance written notification of cancellation or material change of required insurances.

3.5.3 The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of the indemnification obligation in this Subcontract.

3.5.4 Each Party shall submit to the other Party a written statement by its respective insurers that they shall have no claim and no recourse against the other Party and its respective insurers for claims specified in clause 3.4 above. Subcontractor insurer's statement, including any limitations on the aforementioned waiver, will be included in Appendix 6 herein. In case no insurance is in place, Honeywell shall state this to the Agency, at the time of signature of the Contract.

**ARTICLE 4: PRICE, PAYMENTS AND INVOICING**

4.1 Price

Sub-Clauses 27.3 and 27.4 do not apply, unless in case of termination as per Clause 30 of the GCC.

4.1.1 The total price of this Subcontract amounts to:

125,000 EUR

(onehundred twenty five thousands Euro)

The abovementioned price is hereby defined as a Firm Fixed Price and as such, it will not be subject to any adjustment or revision by reason of the actual costs incurred by the Subcontractor in the performance of this Subcontract.

4.1.2 Any amount stated above does not include any added value taxes or import duties in the Member States of the Agency.

4.1.3 The price is deemed to include all applicable fees for licences to be purchased and delivered in the frame of the Subcontract, indicating Honeywell or the Agency as the end user. The price is further deemed to include any and all licence fees payable according to Clause 43.7 of the GCC.

4.1.4 The price is stated as being "Delivery Duty Paid" (DDP) for all deliverables, exclusive of import duties and VAT in accordance with the Incoterms 2020 to the addressee(s) mentioned, or referred to, in Article 5 of this Subcontract. Reference to the INCOTERMS in this provision is exclusively for the purpose of price definition. The price furthermore includes all costs relative to the Subcontractor's obligations under the article 2.2.1 above.

4.2 Payments

4.2.1 After successful completion of each Milestone (as per Milestone Payment Plan) and acceptance of all related deliverables included all other requirements set out in the Milestone Payment Plan below, Subcontractor will submit an invoice listing all required information. Thereafter Subcontractor must provide invoices in no event later than is required by applicable law. The invoice must match the corresponding Purchase Order pricing, quantities, and terms, and must be sent to the address listed in Clause 4.3.3 or on the Purchase Order.

All applicable taxes must be separately itemized and identified on the invoice. In addition to statutory and eligibility requirements, invoice must also include the following information in Czech; (a) name and address of Subcontractor and the Honeywell entity purchasing the Work; (b) Honeywell's Purchase Order number(s); (c) Milestone identification; and (d) payment terms. If an invoice does not comply with the above requirements or does not contain a valid Purchase Order number, or the invoice contains prices greater than the ones reflected on the Purchase Order (in line with the Milestone Payment Plan) the invoice will be rejected. Payment terms are stated on the face of the Purchase Order or other written agreement executed by both parties or as otherwise required by law.

In order to comply with Agency's requirements, Subcontractor shall provide the following:

4.2.1.1 Progress Payment:

• Milestone Achievement Confirmation (MAC) hereinafter referred to as “confirmation” with supporting documentation. The supporting documentation shall justify the actual achievement of the milestone(s) as defined in the Payment Plan specified in Appendix 1 hereto;

• Invoice(s);

• Actual achievements of the milestones as defined in the Milestone Payment Plan specified in article 4.4 here below.

4.2.1.2 Final Settlement:

• Confirmation, with supporting documentation. The supporting documentation shall justify the actual achievement of the milestones as defined on the Payment Plan Specified in Appendix 1 hereto;

• Invoice(s);

• The Contract Closure Documentation in the template included in Appendix 3, Annex A as required by Honeywell or Agency.

4.2.1.3 Any receipts and statements of expenses presented by the Subcontractor must be accompanied by a certificate that they are true and genuine and established in accordance with Annex I to the Contract/GCC.

4.2.2 The Agency or Honeywell shall be afforded all the necessary visibility, whether remotely or by means of inspection of the Subcontractor's premises, in order to ascertain the progress of the Work prior to authorizing the relevant payment.

4.3 Invoicing

4.3.1 The Subcontractor's invoices will be issued in CZK based on EUR amounts set out in the Payment Plan and Purchase Order ("PO") number has to be specified too. The conversion from EUR will be done on the invoice issue date with the actual exchange rate published by Czech National Bank. If applicable, invoices shall separately show all due taxes or duties.

4.3.2 In the event that the achievement of a milestone is delayed but the milestone is partially met at the milestone planning date foreseen, Honeywell may as an exception, effect a payment against an approved confirmation of the partially achieved milestone, not exceeding the value of the Work performed at the date of payment.

4.3.3 All invoices shall be submitted to Honeywell in electronic form through the xxx with a copy to xxx.

a) The Subcontractor shall ensure that all invoices and all MACs are submitted for payment exclusively through the above-mentioned address. The Subcontractor shall further ensure that the PO number is quoted on all invoices. If not, the invoice will be returned to the Subcontractor and will not be paid.

b) The Subcontractor undertakes to complete invoices and confirmations, and to strictly adhere to the instructions (including those for billing taxes and duties, where applicable) provided by Honeywell.

4.3.4 Payments shall be made by Honeywell in CZK to the value set out on the invoice to the account specified by the Subcontractor. Such account information shall clearly indicate the IBAN (International Bank Account Number) and BIC/SWIFT (Bank Identification Code). The Parties agree that payments shall be considered as effected by Honeywell on time if the Honeywell's orders of payment reach the Honeywell's bank within the payment period stipulated in article 4.2.1 above. Any delay of payment by the Agency to Honeywell, which has not been caused solely by Honeywell, shall be considered as a Force Majeure event under the clause 2.7.6. of this Subcontract and Honeywell shall not be considered at default and its obligation to pay to the Subcontractor shall be suspended until the Agency credit Honeywell the full amount.

4.3.5 Any special charges related to the execution of payments made by the Subcontractor's bank shall be borne by the Subcontractor.

4.3.6 Any questions concerning an invoice, or the latest status of due invoices can be addressed to the Honeywell PP&C - xxx.

4.4 Milestone Payment Plan

The following payment plan is agreed for this Contract:

**Milestone Payment Plan [kEUR]**

|  |  |  |
| --- | --- | --- |
| **Milestones (MS) Description** | **Schedule Date** | **BUT** |
| Progress (MS 1): Upon successful completion ofScenarios and Requirements Review (SRR) andacceptance of all related deliverables. | 15th January 2024 | 19 |
| Progress (MS 2): Upon successful completion ofTransceiver Design Review (TDR) and acceptance ofall related deliverables. | 17th June 2024 | 38 |
| Progress (MS 3): Upon successful completion ofTransceiver Integration Review (TVR) and acceptanceof all related deliverables. | 15th January 2025 | 45 |
| Final Settlement (MS 4): Upon the Agency’s acceptance of alldeliverable items due under the Contract and the Contractor’sfulfilment of all other contractual obligations including submissionof the Contract Closure Documentation. | 15th December 2025 | 23 |
| **GRAND TOTAL** |  | 125 |

**ARTICLE 5: TERM AND TERMINATION**

5.1 Termination for cause

5.1.1 Honeywell may terminate performance of work under this Subcontract, including any Purchase Order issued hereunder, in its sole discretion in whole or in part if Honeywell and/or Agency decides not to initiate or continue in the Project by reason of Honeywell's and/or customer's determination that there is insufficient business basis for proceeding with such program upon written notice specifying the extent and effective date of termination.

5.1.2 In the event of a termination of the programme for any reasons, Honeywell can terminate this Subcontract for the reasons set out in GCC clauses 31 to 33 and the consequences from the relevant GCC provisions shall apply.

5.1.3 In the event of Honeywell's termination for convenience of all or part of this Subcontract or Purchase Order without any fault of the Subcontractor, Honeywell will be liable to Subcontractor for the fair and reasonable price of any completed Deliverables delivered and for the demonstrated verifiable costs for (a) the cancelled work in progress, and (b) such unused and undamaged material Subcontractor has properly obtained for the performance of the Subcontract prior to the date of the notice to terminate (and in any event prior to the effective date of termination), and which it is unable to cancel, return, resell or reuse. Subcontractor shall use its best efforts to mitigate any consequences of termination.

5.1.4 Supplier must complete performance of the work not terminated.

5.1.5 The first sentence of Sub-clause 32.1 is hereby modified as follows:

In case the Agency terminates the Contract with Honeywell under the Clause 32 of the GCC and formally notifies Honeywell of termination, Honeywell reserves the right to terminate the Sub-contract in any of the following circumstances:

The rest of the clause 32 remains unaltered.

5.2 Termination in special cases

Sub-clause 33.3 is hereby replaced in its entirety with the following:

In cases of termination under clauses 33.1. a) and b), the Sub-contractor shall transfer to Agency any rights acquired for the performance of the activity under the Sub-contract and use his best efforts to ensure access for the Agency to Third Party rights (if any) as required and in each case solely in connection with the Agency's use of the deliverables for the activity/programme and for no other purpose whatsoever.

**ARTICLE 6: INTELLECTUAL PROPERTY RIGHTS**

For the purposes of this Subcontract:

- Part II, Option A of the GCC shall apply, as modified by the special provisions below

- The free licenses provided in the present Contract, as described in Part II of the GCC, Clause 41, are provided for the benefit of ESA for its Own Requirements and shall be deemed granted through signature of the present Contract and without the need to implement a separate license.

6.1 Information to be provided by the Subcontractor

Information, data and results arising from Work performed under this Subcontract ("Foreground Intellectual Property") shall be delivered to Honeywell. Honeywell will have a right to make such Foreground Intellectual Property available to the Agency; and the Subcontractor and Honeywell are aware that the Agency will have a right to make such Foreground Intellectual Property available to Agency Member States participating in the Programme through which this Subcontract is funded and any persons and bodies under their jurisdiction ("ESA Participating States") to use on the condition that they comply with the terms stated in article 6.2.2 below.

6.2 Ownership and Use of Intellectual Property Rights

6.2.1 Subcontractor shall ensure that all Work to be performed under the Subcontract is carried out by persons who have a written agreement with BUT and that the agreement ensures that

a) Foreground Intellectual Property developed solely by the Subcontractor shall be owned by Subcontractor; and

b) Foreground Intellectual Property obtained for the purpose of this Subcontract will only be circulated under terms which comply with this Subcontract.

Subcontractor shall have the same rights and obligation in relation to Work performed under this Subcontract as a "Contractor" has to work created under the Contract under the following General Clauses and Conditions for ESA Contracts set out in its Part II (Option A):

clause 36.2 (Interpretation), clause 36.3 (Contractor Employees/Service Providers), clause 39 (Ownership of Intellectual Property Rights), clause 40 (Registration of Intellectual Property Rights), clause 41 (Use of Intellectual Property Rights), clause 42 (Software), clause 43 (Background Intellectual Property Rights), clause 44 (Exploitation), clause 46 (Fees) and clause 49 (Transfer outside Member States).

6.2.2 For the exceptional case when Work is carried out jointly by Subcontractor and Honeywell, the Parties agree that Foreground Intellectual Property Rights will vest in the principal contributor to the development, provided the principal contributor is able and willing to exploit such rights and compensation in form of a license and/or payment is agreed. In such case, the assignment shall be notified to the Agency.

6.2.3 For the purposes of clause 36.2 (Interpretation) of the General Clauses and Conditions for ESA Contracts set out in its Part II (Option A), the term "documentation" as defined in Annex IV to the GCC shall be interpreted to also include data files, CAD files, EXCEL@ files and similar electronic files, which shall not be considered as "software" in the sense of Clause 42 of the GCC. The electronic files containing these items shall be delivered to the Agency in the format agreed with the ESA Technical Officer.

The electronic files containing these items shall be delivered to the Agency in the format agreed with Honeywell's Technical Officer.

6.2.4 For the purposes of Clause 37 (Information to be Provided), the Subcontractor shall not mark any documents as "Proprietary Information" unless agreed in advance with Honeywell and the Agency. Any request from the Subcontractor shall be submitted accompanied by an appropriate justification.

6.2.5 For the purposes of Clause 38.2 (Disclosure), the access rights granted to the Agency's employees under the Sub-Clause 38.2 of the GCC are hereby extended to Subcontractor personnel providing technical, management, legal or administrative support to ESA as long as they have signed an engagement of confidentiality.

6.2.6 To the extent not prohibited by applicable mandatory law or the Contract, Subcontractor grants an irrevocable, perpetual, free of charge, worldwide license to Honeywell to use Subcontractor Foreground Intellectual Property to the fullest extent available to the Agency, Participating States and Persons and Bodies from GCC Clause 41.1 a) and c) or this Subcontract (this right to include Honeywell's right to grant sub-licenses where appropriate). Further, Subcontractor's Foreground Intellectual Property Rights will be made available to Honeywell to the same extent and according to same financial conditions as it is available to any Third Party as set out in Clause 41.1 d) of the GCC. For the avoidance of doubt, Honeywell rights shall include Agency's rights relating to Subcontractor's failure to apply for or renew Registered Intellectual Property Rights or to Subcontractor's abandonment of its Registered Intellectual Property Rights within the meaning of GCC Clause 40. Any additional rights to Honeywell to Subcontractor's registered Foreground Intellectual Property, including the right to fabricate, make or otherwise produce the product, application or result (either by itself or through another party) shall be separately negotiated by the Parties.

6.2.7 The Subcontractor shall promptly report to Honeywell any inventions arising from work which may, in its opinion, be protectable under registered Intellectual Property Rights and notify Honeywell whether or not it intends to apply for such protection.

6.2.8 Foreground Intellectual Property Rights

a) Subcontractor's Foreground Intellectual Property Rights will be made available to the Agency and ESA Participating States and any persons and bodies under their jurisdiction, to use free of charge, worldwide, with the right to grant sub-licences for the Agency's Own Requirement, which may include but is not limited to the activities and programmes undertaken by the Agency in the field of space research and technology and space applications in accordance with Article V l(a) and (b) of the European Space Agency Convention or as otherwise provided for in GCC. Furthermore, Subcontractor's Foreground Intellectual Property Rights will be made available to ESA Participating States and any persons and bodies under their jurisdiction, academic and research institutions and any Third Party as set out in Clause 41.1 b), c) and d) of the GCC.

b) Honeywell's Foreground Intellectual Property Rights will be made available to the Subcontractor to use free of charge, worldwide, for the activities and projects undertaken by the Subcontractor outside the field of space research and technology and outside of any aerospace applications. The Subcontractor may grant sub-licenses to third parties without the right to further sub-license, only if it is not contrary to Honeywell's interests (e.g. a sub-licensee or its affiliate undertake in a similar type of business and may be Honeywell competitors) and only with prior written approval by Honeywell, which will not be unreasonably withheld.

Each Party agrees not to use Foreground Intellectual Property Rights arising in connection with this Subcontract contrary to the other Party's Legitimate Commercial Interest without the other Party's consent, not to be unreasonably withheld.

Above mentioned limitations of the use of Foreground Intellectual Property Rights are not applicable in case of use of Subcontractor's Foreground Intellectual Property Rights in ESA Programmes, which are focused on advanced technology research and development or education.

6.3 Background Intellectual Property Rights (BIPR)

Background Intellectual Property rights means all Intellectual Property Rights that have not been developed under Subcontract with Honeywell either prior or during execution of this Subcontract and which are used to achieve the objectives of the Subcontract itself. Honeywell and the Agency highlight the importance for the Subcontractor to identify BIPR in use from third party, if any. BIP on which the Agency needs to have "temporary" visibility, e.g. for inspection purposes, during contract execution but not afterwards are treated separately.

For the purposes of Clause 43 (Background Intellectual Property Rights) of the GCC the following applies:

6.3.1 In pursuance of the requirements of Clause 43.1 of the GCC it is recorded that Honeywell and the Agency, on the basis of evidence provided by the Subcontractor, recognize the following, as Background Intellectual Property:

| Exact name of BIPR Item | Owner | Description | Patent # or Ref./Issue/Revision/Version # | Contract / Funding Details under which the IPR was created  | Date of creation of the version of the BIPR listed here | Affecteddeliverable with comments |
| --- | --- | --- | --- | --- | --- | --- |
| DPD  | BUT | DPD adaptation algorithms based on polynomial, memory polynomial, DDR2 and DVR method | J. Kral, T. Gotthans, R. Marsalek, M. Harvanek and M. Rupp, "On Feedback Sample Selection Methods Allowing Lightweight Digital Predistorter Adaptation," in IEEE Transactions on Circuits and Systems I: Regular Papers, vol. 67, no. 6, pp. 1976-1988, June 2020, doi: 10.1109/TCSI.2020.2975532. | Latest projects: 17-18675S “Future transceiver techniques for the society in motion”, Czech Ministry of Education grant LO1401 INWITE | Long-term work since 2003 | TN2.1DTN2.1TN2.2DTN2.2TN2.3TN3.1TN3.2TN3.3TN3.4TN5.1DTN5.1TN6.1HW1SW1 |
| Channel emulator | BUT | 900 MHz – 6 GHz channel emulator implementation for Xilinx RFSoC ZCU111 board | Nt  | Technology agency of the Czech Republic project TJ04000302 | 06/2022 | TN4.1TN5.1DTN5.1TN6.1HW2SW2 |

6.3.2 The Subcontractor shall include the Background Intellectual Property exclusively in the deliverables listed in 6.3.1 above and shall mark them conspicuously as 'Background Intellectual Property- Proprietary Information'. Agency shall protect those deliverables under Clause 38 of the GCC. All other deliverables shall not contain any Proprietary Background Information, shall not be marked 'Proprietary Information', and shall not fall under the protection of Clause 38 GCC.

6.3.3 If the Subcontractor has not identified Background Intellectual Property Rights by the end of the Subcontract, all Intellectual Property Rights used during the execution of the Subcontract are treated as arising from work performed under the Subcontract, unless and until the Subcontractor provides Honeywell and/or the Agency with evidence of the relevant Background Intellectual Property rights.

Notwithstanding the above, the following is agreed: if the Subcontractor, after the signature of this Subcontract, invokes the existence of any additional Background Intellectual Property to be used for the purposes of the present Subcontract, the Subcontractor shall provide conclusive evidence to Honeywell and/or the Agency of the existence of this Background Intellectual Property and shall justify the reasons for which the existence of this Background Intellectual Property was not invoked before the Subcontract signature.

If conclusive evidence and appropriate justification are provided by the Subcontractor, the Parties shall formalize a Contract Change Notice to specify in detail which Information has been recognized as Background Intellectual Property.

Conversely, if such evidence and justification are not provided, all information delivered shall be deemed as having been generated in the frame of the Subcontract.

6.3.4 For the purpose of Subclauses 43.4 and 43.7 of the GCC, the term "Agency Project" shall refer to all present and future activities/projects of the Agency of the ARTES Programme.

6.3.5 The Subcontractor will not claim any additional remuneration (e.g. royalties) for the use of Background Intellectual Property for the purposes set forth in this Subcontract. The Background Intellectual Property Rights owned by the Subcontractor, Honeywell, the Agency or a third party shall remain the sole property of the owner.

6.3.6 If the Agency or Honeywell requires Background Intellectual Property Rights owned by the Subcontractor for the projects or activities specified below, the Subcontractor shall grant the Agency or Honeywell an irrevocable, perpetual, royalty free, world-wide licence, without right to grant sub­ license to enable the Agency and/or Honeywell to use, modify any product, application or result of the Subcontract for the said projects or activities.

Projects or activities for which the Agency or Honeywell is entitled to a licence as described above:

• activities/projects of the Agency specified by the present Contract;

• activities/projects of Honeywell within the scope of all present and future activities/projects of the Agency of the ARTES Programme.

For the sake of clarity, the Parties agree that the scope of any license to registered Background Intellectual Property granted by the Subcontractor hereunder does not include the right to fabricate, make or otherwise produce the product, application or result of this Subcontract unless otherwise agreed under a separate agreement. Any license to Subcontractor's registered Background Intellectual Property (to include Honeywell registered Foreground Intellectual Property developed with use of Subcontractor's Background Intellectual Property), which includes the right to fabricate, make or otherwise produce the product, application or result shall be separately agreed by the parties.

6.4 Transfer outside the ESA Member States

6.4.1 The Subcontractor shall notify Honeywell and the Agency in writing prior to any intended transfer to any entity in a non-Member State or any international organization of Intellectual Property Rights or any product, process, application or result arising from work performed under the Subcontract.

6.4.2 The aforementioned notification shall include the following information:

• the proposed transferee or licensee outside the Member States;

• the terms of the intended transfer or licence (together with all countries of destination) and the intended use of the subject matter to be transferred or licensed;

• all relevant national approval procedures which need to be obtained to comply with national legislation, including a statement concerning approvals applied for or granted.

The Agency will only disclose the information on a need to know basis to its staff and the members of the Agency's Technology and Product Transfer Board.

6.4.3 In order to allow the Agency to formulate an explicit recommendation the Subcontractor, before entering into any unconditional commitment relative to the transfer, shall wait 5 weeks from submission of the written notification, following which term a favourable recommendation may be assumed.

6.5 Provisions of this Article 6 shall survive termination or expiry of this Subcontract.

**ARTICLE 7: PUBLICITY RELATING TO CONTRACTS**

7.1 The content of any publicity material prepared by the Subcontractor related to an Agency mission or to an activity performed by the Subcontractor in the context of the Contract, intended for publication in whatever form and through whatever medium, including the internet, shall acknowledge that the mission is indeed an ESA mission and/or that the Subcontract was carried out "under a programme of and funded by the European Space Agency" and shall display in an appropriate and visible way the Agency's logo.

7.2 In addition, all publications, related to the Works carried out under an ESA Contract shall also carry a disclaimer with the following wording or wording to the same effect: "The view expressed herein can in no way be taken to reflect the official opinion of the European Space Agency." For utilization described above, the ESA logo can be downloaded at the following address: http://webservices.esa.int/ESA Logo/index.php. Any other utilization of the ESA logo requires the prior approval of the Communication Department of the Agency.

7.3 Honeywell notes that the Subcontractor is a subject legally bound to publish its contracts pursuant to Act no. 340/2015 Coll. for it to validly come to force or comply with the relevant legislative requirements. Parties agree, that some of this Subcontract's schedules or their elements amount to Honeywell trade secrets and fall outside the scope of the information requiring publication. Accordingly, the Subcontractor will publish this Subcontract in the register of contracts in a format mutually agreed before publication.

7.4 Honeywell notes that the Subcontractor is a subject legally bound to publish its contracts pursuant to Act no. 340/2015 Coll., and the Subcontractor will publish this Subcontract in the register of contracts in mutually agreed format before publication. For this purpose the Parties acknowledge that the Appendix 4 is only referred to herein but not appended as it is know to both Parties and it contains Honeywell's trade secrets and sensitive information.

**ARTICLE 8: GENERAL**

8.1 The language of this Subcontract and of all communications hereunder shall be English and clause 3 of the GCC does not apply.

8.2 Dispute resolution

8.2.1 The Parties shall use their best endeavours to amicably settle any dispute arising out of the Subcontract failing an attempt to reach amicable settlement, any dispute arising out of or relating to this Subcontract shall be finally resolved in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or three arbitrators designated in conformity with such Rules. The Arbitration Tribunal shall sit in Prague. The Tribunal's award shall be final, binding on the Parties without a right to appeal against it. The enforcement of the award shall be governed by the rules of procedure in force in the state/country in which the award is to be enforced.

8.2.2 Any dispute involving intellectual property rights will be adjudicated before a court of competent jurisdiction and arbitration terms in this section will not be binding on either Party with respect to such dispute in its entirety or any related dispute, including any portions of such dispute that do not concern intellectual property rights.

8.2.3 Any award will be payable in the currency of this Subcontract or Purchase Order. Subcontractor covenants to continue to perform obligations under this Contract or Purchase Order during efforts to resolve disputes, including the timeframe from when the dispute is first identified to the point when the dispute is ultimately resolved.

8.3 The substantive law, which shall govern this Subcontract and in accordance with which this Subcontract shall be construed, interpreted, performed and enforced is the law of Czech Republic, in particular the Law No. 89/2012 Coll., Civil Code, as last amended, and any special laws governing intellectual or industrial property. The arbitration proceedings referred to in Clause 35 of the GCC shall take place in Prague, Czech Republic.

8.4 Assignment

8.4.1 This Subcontract will be binding on the Subcontractor and its respective permitted successors and assigns. Subcontractor will not assign any part of this Subcontract or any Purchase Order issued under it, or any rights or obligations under this Subcontract, or subcontract all or any material aspect of the work called for, without the prior written approval of Honeywell.

8.4.2 No assignment or subcontracting, even if approved by Honeywell, will relieve or discharge Subcontractor from any obligation, provision, or liability under this Subcontract or Purchase Order.

8.4.3 Honeywell may assign this Subcontract or Purchase Order or any of its rights or obligations under this Subcontract, in whole or in part, to any of its subsidiaries or affiliates, or to any purchaser or successor to all or a portion of the assets of the business or product line to which this Subcontract or Purchase Order relates without Subcontractor's consent and upon written notice to Subcontractor.

8.5 Communication with the Agency

8.5.1 With a view to optimize Subcontractors' time to payment and financial coverage, and to facilitate, when needed, the resolution of such issues, the Agency has established a dedicated centralized email address. Should any Subcontractor encounter serious difficulties in the process leading to:

(i) timely payment of due invoices (i.e. related to a milestone already achieved) to be made by the Subcontractor's direct customer (i.e. not ESA)

(ii) contractual coverage of activities already kicked-off, the said Subcontractor may directly contact the Agency at: indirectpayments@esa.int

8.5.2 Any Subcontractor contacting the Agency through the above email shall document the steps already taken towards its direct customer Honeywell has been informed of the Issue.

ESA Contract No. 4000141265/23/UK/ND

In doing so, such Subcontractor shall attach the Standard Contact Form available at:

 https://esastar-publication.sso.esa.int/supportingDocumentation properly filled in or provide the same information in the body of the email.

8.6 Disclosure

The following provision is added to Sub-Clause 38.2 of the GCC:

The access rights granted to Honeywell and the Agency's employees under Sub-Clause 38.2 of the GCC are hereby extended to contractor personnel providing technical, management, legal or administrative support to Honeywell and ESA as long as they have signed an engagement of confidentiality.

This Subcontract has been prepared in three (3) originals, one for Honeywell and two for the Subcontractor.

In: In:

On: On:

For Honeywell International s.r.o. Brno University of Technology

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**APPENDIX 1**

**The Agency's Statement of Work**

**Not included here but known to both parties as published by ESA.**

**APPENDIX2**

**The Honeywell's Statement of Work for the Subcontractor (BUT)**

**APPENDIX 3**

**Standard Requirements for Management, Reporting, Meetings and Deliverables and its Annex**

**APPENDIX 4**

**MoM L-band UAV Terminal for connectivity in all flight phases AO 11196 Negotiation meeting. Not included here, handed over by Jaromír Štecha to Tomáš Gotthans.**

**APPENDIX 5**

**Contract Change Notice**

**APPENDIX6**

**Subcontractor's Insurance Policy and Subcontractor's Insurer's Statement referred to in Clause 3.5.4 of this Agreement**

**APPENDIX 3: STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES**

(Core text rev. 5: 2018-10)

This document contains the standard requirements for Management, Reporting, Meetings and Deliverables for Contracts to be placed by the Agency, applicable to this activity.

1. MANAGEMENT

1.1. General

The Contractor shall implement effective and economical management for the Project. Its nominated Project Manager shall be responsible for the management and execution of the work to be performed and, in the case of an industrial team, for the coordination and control of the industrial team’s work.

1.2. Access

a) During the course of the Contract, the Agency shall be afforded free access to any plan, procedure, specification or other documentation relevant to the programme of work. Areas and equipment used during the development/testing activities associated with the Contract shall also be available for inspection and audit.

b) The Contractor shall notify the Agency at least three (3) weeks before the start of any test programme, or as mutually agreed, in order to enable the Agency to select those tests that it wishes to witness. The Agency shall notify the Contractor of its visit at least one (1) week in advance.

2. REPORTING

2.1. Minutes of Meeting

a) The Contractor is responsible for the preparation and distribution of the minutes of the meetings (see ECSS-M-ST-10C, rev. 1, section 5.2.2 for more details) held in connection with the Contract. Electronic versions shall be issued and distributed to all participants, not later than ten (10) days after the meeting concerned.

b) The minutes shall clearly identify all agreements made and actions accepted at the meeting together with an update of the Action Item List (AIL) and the Document List. The minutes shall be signed.

NOTE: This clause may be restricted to progress meetings if specifically expressed.

2.2. Documents List

The Contractor shall create and maintain a Document List, recording all the documents produced during the work, including reports, specifications, plans and minutes. The list shall indicate the document reference (with unique identifier), type of document, date of issue, status (draft or approved by the Agency), confidentiality level and distribution. This list shall be maintained under configuration control.

2.3. Action Item List (AIL)

The Contractor shall maintain an Action Item List (AIL, see ECSS-M-ST-10C, rev. 1, section 5.2.2.1 for more details) recording all actions agreed with the Agency. Each item shall be uniquely identified with reference to the minutes of the meeting at which the action was agreed and the AIL will record generation date, due date, originator and the person instructed to take action. The AIL shall be reviewed at each progress meeting.

2.4. Bar-Chart Schedule

a) The Contractor shall be responsible for maintaining the bar-chart for work carried out under the Contract, as agreed with the Agency.

b) The Contractor shall present an up-to-date chart for review at all consequent meetings, indicating the current status of the Contract activity (WP’s completed, documents delivered, etc.).

c) Modifications of the schedule shall be contractually binding only if approved in writing by the Agency’s representative for contractual and administrative matters.

2.5. Risk Register

a) The Contractor shall be responsible for maintaining a risk register, agreed at the kickoff meeting. This register shall identify potential risks, their likelihood and severity, and propose meaningful mitigation measures (see ECSS-M-ST-80C for more details).

b) The Contractor shall present an up-to-date risk register in its progress reports for review at progress meetings.

2.6. Progress Reports

Every month, the Contractor shall provide a Progress Report to the Agency’s representatives, covering the activities carried out under the Contract (see ECSS-M-ST-10C, rev. 1, section 5.2.2.2 for more details). This report shall refer to the current activities shown on the latest issued bar-chart and shall give:

a.1 action items completed during the reporting period;

a.2 a status report on all long lead or critical delivery items;

a.3 a description of progress: actual vs. schedule, milestones and events accomplished;

a.4 reasons for slippages and/or problem areas, if any, and corrective actions planned

and/or taken, with revised completion date per activity;

a.5 events anticipated during the next reporting period (e.g. milestones reached);

a.6 expected date for major schedule items;

a.7 milestone payment status;

a.8 status of risks.

2.7. Inventory/Fixed Asset Record

The Contractor shall provide the Inventory/Fixed Asset Record yearly (in the month of

October).

The final version shall be provided together with the Contract Closure Documentation.

2.8. Problem Notification

The Contractor shall notify the Agency’s representatives (Technical Officer and Contracts Officer) of any problem likely to have a major effect on the time schedule of the work or to significantly impact the scope of the work to be performed (due to e.g. procurement problems, unavailability of facilities or resources, etc.).

2.9. Technical Documentation

a) As they become available and not later than the dates indicated in the delivery plan, the Contractor shall submit, for the Agency’s approval, technical notes, engineering drawings, manufacturing plans, test plans, test procedures, specifications and Task/WP reports.

b) Technical documentation to be discussed at a meeting with the Agency shall be submitted two (2) weeks prior to the meeting.

c) Technical documents from Subcontractors shall be submitted to the Agency only after review and acceptance by the Contractor and shall be passed to the Agency via the Contractor’s formal interface to the Agency.

d) Tests carried out under the Contract shall be performed according to test plans and test procedures approved by the Agency’s Technical Officer (see ECSS-E—ST-10-02C and ECSS-Q-20C, rev. 1 for more details).

3. MEETINGS

a) The kick-off meeting shall take place via video or teleconference.

b) Progress meetings shall be held at approximately two (2)- to three (3)-monthly intervals via video or teleconference.

c) The final presentation shall take place at the Agency’s premises, to a public audience, within twelve (12) months of Contract closure. During the course of the activity, the Agency will decide on the format for the final presentation (e.g. dedicated meeting, conference, specific event). Preference shall be given to a specific event where technologies related to a specific technology domain or technology theme are presented together.

d) Additional meetings may be requested either by the Agency or the Contractor.

e) The Contractor shall give to the Agency prior notice of any meetings with Third Party(ies) to be held in connection with the Contract. The Agency reserves the right of participation in such meetings.

f) With due notice to the Contractor, the Agency reserves the right to invite Third Party(ies) to meetings to facilitate information exchange.

g) For all meetings with the Agency, the Contractor shall ensure that proper notice is given at least two (2) weeks in advance. For all other meetings, the Contractor shall inform the Agency, which reserves the right to participate. The Contractor is responsible for ensuring the participation of its personnel and those of the Subcontractor(s), as needed.

h) For each meeting, the Contractor shall propose an agenda in electronic form and shall compile and distribute hand-outs of any presentation given at the meeting.

4. DELIVERABLES

This section specifies the generic deliverables that can be envisaged. The actual list of deliverables under the Contract is specified in the Statement of Work which may include, delete or add deliverables with respect to those specified in this Chapter.

4.1. Documentation

a) In addition to the documents to be delivered according to section 2 here above, the following documentation shall also be deliverable. In the case of alternative choices herein, the Statement of Work specifies which ones are applicable.

b) All documentation deliverables mentioned hereunder (including all their constituent parts) shall also be delivered in electronic form in a format agreed by the Agency (PDF format and the native format, and in other exchange formats where relevant (e.g. CAD, drawings, databases)).

c) All the documentation shall be delivered on computer readable media (e.g. USB-keys) as agreed with the Agency.

d) The draft version of the documentation shall be sent to the Technical Officer in electronic format not later than two (2) weeks before the documentation is to be presented. The final version shall be provided in a number of copies and format specified in the Statement of Work.

e) All documents shall bear the appropriate copyright notice. In all cases, this shall include the ESA activity name, ESA Contract number, deliverable number, date, status (draft), version and/or revision number. The information shall be repeated consistently in the header or footer of every page.

4.1.1. Final Report

a) The Final Report shall provide a complete description of all the work done during the activity and shall be self-standing, not requiring to be read in conjunction with reports previously issued. It shall cover the whole scope of the activity, i.e. a comprehensive introduction of the context, a description of the programme of work and report on the activities performed and the main results achieved.

b) For phased Contracts, a Final Report shall be produced at the end of each Phase in accordance with the above definition, describing the work and results of that Phase and previous Phases. It becomes the Final Report in case the Agency decides not to proceed with the subsequent Phase(s).

4.1.2. Technical Data Package

Each (design and development) Contract shall be completed with a Technical Data Package. For a Contract with Phases, the Technical Data Package shall be provided at the end of a Phase in the case that the Agency decides not to proceed with the next Phase. The Technical Data Package consists of the final versions of all approved technical documents, delivered during the execution of the activity.

4.1.3. Summary Report

For each (design and development) Contract, one Summary Report shall be produced. It shall summarise the findings of the Contract concisely and, informatively. The Summary Report shall be approximately twenty (20) pages or six thousand (6000) words.

NOTE: The Agency may request the Contractor to produce the Summary Report in the form of a paper suitable for publishing in a technical journal.

4.1.4. Executive Summary Report

The Executive Summary Report shall concisely summarise the findings of the Contract. It shall be suitable for non-experts in the field and should also be appropriate for publication. For this reason, it shall not exceed five (5) pages of text and ten (10) pages in total (one thousand five hundred (1500) to three thousand (3000) words).

4.1.5. Abstract

Each (study) Contract shall also be completed with an Abstract, summarising the work performed. It shall be suitable for application at symposiums or technical journals, normally not exceeding three (3) to four (4) pages of text with coloured illustrations or photographs where appropriate.

4.1.6. Brochure

A Brochure is intended for marketing purposes. It shall be concise and it shall include a short description of the work performed and applications of the development, a photograph or functional drawing, if applicable, technical fact sheet, estimate of availability (delivery time) and a contact point for marketing purposes. It shall contain one (1) or two (2) pages of text (i.e. up to about seven hundred (700) words).

4.1.7. Photographic Documentation

Photographic documentation comprises photographs of hardware under manufacture, showing major progress, as well as of tests and test set-ups. Videos presenting the functioning of hardware/test set-up and relating test activities may also be included in this category.

4.1.8. Software Reuse File

Software Reuse File (SRF) is a deliverable item recording the Contractor’s reuse of existing software at the various stages of the activity (SWRR, PDR, CDR, AR, etc.). In the event of Contractor’s reuse of existing software, the SRF shall include the following:

‐ An evaluation of the reuse potential of the software (ECSS-E-ST-40C 5.4.3.6 b.);

‐ The analysis of the potential reusability of existing software components (ECSS-E-ST-40C 5.4.3.7 a.);

‐ The assessment of the existing software with regards to the applicable functional, performance and quality requirements (ECSS-Q-ST-80C 6.2.7.3 a.);

‐ The analysis of the suitability of existing software for reuse to be complemented by an assessment of the following aspects (ECSS-Q-ST-80C 6.2.7.6 a.):

1. the acceptance and warranty conditions;

2. the available support documentation;

3. the conditions of installation, preparation, training and use;

4. the identification and registration by configuration management;

5. maintenance responsibility and conditions, including the possibilities of changes;

6. the durability and validity of methods and tools used in the initial development, that are envisaged to be used again;

7. the copyright and Intellectual Property Rights constraints (modification rights);

8. the licensing conditions;

9. exportability constraints;

‐ The detailed configuration status of the reused software baseline (ECSS-Q-ST-80C 6.2.7.11 a.);

‐ For each software item, the SRF shall provide (or state the absence of) the following information (ECSS-E-ST-40C Software reuse file (SRF) – DRD <4> b.):

1. software item name and main features;

2. developer name;

3. considered version and list of components;

4. licensing conditions;

5. industrial property and exportability constraints, if any;

6. implementation language;

7. development and execution environment (e.g. platform and operating system);

8. applicable dispositions for warranty, maintenance, installation and training;

9. commercial software necessary for software execution, if any;

10. size of the software (e.g. number of source code lines and size of the executable code).

In addition to the above mentioned ECSS requirements:

The SRF shall characterise the deliverable software (i.e. including developed and existing reused software) in terms of constituent elements and the associated licensing schemes, including:

a) The IPR situation of the developed software, as defined by the ESA Contract;

b) The Licence under which each of the reused software package is accessible by the end user;

c) The software engineering technique that is used to put each of the reused software package together with the total software, including:

1. the mechanism of communication (exec, pipes, rpc, function calls within a shared address space, etc.) and

2. the semantics of the communication (what kinds of information are interchanged).

3. The degree of integration of the software product into the developed software, including the potential use of static/dynamic linking.

Whether any modification has been made to the software package

NOTE: This is meant to determine whether the reused software packages are "combined" or "incorporated", in the meaning of the GNU Public Licence. As mentioned in the GPL Frequently Asked Questions, if the modules are included in the same executable file, they are definitely combined in one program. If modules are designed to run linked together in a shared address space, that almost surely means combining them into one program. By contrast, pipes, sockets and command-line arguments are communication mechanisms normally used between two (2) separate programs. So when they are used for communication, the modules normally are separate programs. But if the semantics of the communication are intimate enough, exchanging complex internal data structures, that could also be a basis to consider the two (2) parts as combined into a larger program.

d) Whether the deliverable software is intended to be distributed as an aggregate (i.e. including developed and existing reused software) or only the developed software will be distributed while the user will need to download the reused software by himself.

4.1.9. Contract Closure Documentation

The Contract Closure Documentation is a mandatory deliverable, due at the end of the Contract (or at the end of a Phase in case the Agency decides not to proceed with the following Phase(s)). For the avoidance of doubt, “end of the Contract” shall mean the finalisation of a series of tasks as defined in the Statement of Work attached to this Contract. Therefore, work performed under Riders or Contract Change Notices adding new tasks with respect to the original Contract shall require separate Contract Closure Documentation. The contents of the Contract Closure Documentation shall conform to the layout provided in Annex A hereto.

4.2. Hardware

Hardware (incl. test equipment and control electronics) built or purchased under the Contract, together with an Operation Manual, shall be a deliverable item after completion of the associated activities at the Contractor’s premises, unless otherwise agreed in writing by the Agency.

4.3. Computer Programs and Models

Computer programmes, mathematical models of any type (e.g. closed-form, worksheets, XML, CAD/CAE) and HDL models developed or procured under the Contract shall be a deliverable, unless the Agency agrees otherwise in writing. Re-used or proprietary software embedded in the deliverable product and required for its correct functioning shall also be a deliverable.

4.4. Project Web Page

The Contractor shall produce a Project Web Page which shall be suitable for public internet access.

5. COMMERCIAL EVALUATION (SPACE MARKET)

The Commercial Evaluation is a report containing an analysis and evaluation of the potential in the space market of the output (products) of the Contract. The report shall identify the maturity of the output of the subject activity with respect to the market and, if applicable, describe the required additional work and the level of funding required for the product to reach a marketable level.

Annex:

Annex A: Layout for Contract Closure Documentation

**ANNEX A: LAYOUT FOR CONTRACT CLOSURE DOCUMENTATION**



**Section 2 - Recapitulation of Deliverable Items**

**2.1 Items deliverable under the Contract**

If any of the columns do not apply to the item in questions, please indicate "n/a".

Table 2.1.1- Items deliverable according to the Statement of Work and Article 2 of the

Contract



Table 2.1.2 - Items deliverable under Article 4 of the Contract (if applicable)

The Contractor, after agreement with the Agency with respect to the disposal/transfer of inventory items/fixed assets under the contract, shall submit the Inventory/Fixed Asset Record as attachment to the CCD. For each item/fixed asset, the information as requested by Appendix 4 to the Contract shall be provided in the Record.

Table 2.1.3 - Customer Furnished Items and Items made available by the Agency

[Option1]

There was no Customer Furnished Items or Items made available by the Agency.

[Option 2]

Any Customer Furnished Items and/or Items made available by the Agency to the Contractor and/or its Subcontractor(s) under the Contract, are listed in the following List of Customer Furnished Items and Items made available by the Agency. The following tables certify which of the items have been returned to the Agency and which of the items remain in the custody of the Contractor, and/or a Sub-Contractor(s) and/or a Third Party for further ESA work or for other purposes.

**Section 3 - Statement on Intellectual Property Rights generated under the contract**

[OPTION 1: NO Intellectual Property Rights generated under the Contract]

In accordance with the provisions of the above Contract [insert Contract Number], [insert Company name] hereby certifies both on its own behalf and on behalf of its consortium/Sub-Contractor(s), that no Intellectual Property Rights (as defined in Annex IV of the General Clauses and Conditions for ESA Contracts, ref. ESA/REG/002, Rev. 3

,the "GCC") have been generated in the course of or resulting from work undertaken for the purpose of this Contract. [END OF OPTION 1]

[OPTION2 : Intellectual Property Rights generated under the Contract]

The Agency's rights in the Intellectual Property Rights listed in the table below shall be in accordance with the General Clauses and Conditions for ESA Contracts, ref. ESA/REG/002, Rev. 3, the "GCC" - Part II provisions, as amended by the Contract [insert Contract Number].

In accordance with the provisions of the above Contract, [insert Company name] hereby certifies both on its own behalf and on behalf of its consortium/Sub-Contractor(s) that the following Intellectual Property Rights (as defined in Annex IV of the "GCC") have been generated in the course of or resulting from work undertaken for the purpose of this Contract:

**Section 4 - Output from / Achievements under the Contract**

**4.1. Technology Readiness Level (TRL)**

Indicate the TRL of the technology developed under the Contract using the classification given below.

**4.2. Achievements and Technology Domain**

Provide a concise description (max 200 words) of the achievements of the Contract and its explicit outcome (including main performances achieved): please refer to the final documentation (e.g. Final Report)

**4.3 Application of the Output/ Achievements**

Please tick off as appropriate:

() Possible use in programme:

Please indicate the service domain (see table) relevant to a possible application

 1 Earth Observation

 2 Science

 3 Human Spaceflight and Exploration

 4 Space Transportation

 fi Telecommunications

 6 Navigation

 7 Generic Technologies and Techniques

 8 Security

 9 Robotic Exploration

() Actual use in programme:

Please describe the specific programme and application or mission for which the output of this Contract is or will be used.

**4.4 Further Steps/Expected Duration**

Please tick off as appropriate:

() No further development envisaged.

() Further development needed:

Please describe further development activities needed, if any, to reach TRL 5/6 including an estimate of the expected duration and cost.

**4.5 Potential Non-Space .Applications**

Describe any potential non-space applications or products that may benefit from the technology that has been developed. Emphasize potential markets and customers where known.

Describe the principle features of technology that would be required in a technology demonstrator for any identified non-space application. Include an estimate of the resources in time and money that would be required.

**APPENDIX 5: CONTRACT CHANGE NOTICE**

For submission of a change as per Clause 13 of the General Conditions, the Sub-contractor shall submit his proposal in the format of a CCN using the cover page included below. The form shall be filled with the following information as a minimum:

- The Sub-contractor's name and the Sub-contract number

- The title of the area affected by the change (Work Package reference, new work, etc.)

- The name of the initiator of the change (Sub-contractor, Contractor or ESA)

- The description of the change (including Work Package Descriptions, WBS, etc.)

- The reason for the change

- The price breakdown in €, if any (breakdown by company, Phase, etc., including PSS-A2 and PSS-AS forms)

- The Milestone Payment Plan for the CCN if any

- Effect on other Sub-contract provisions

- Start of work - end of work (including contractual delivery dates and overall planning, milestones, etc.)

- A CCN Form located at https://artes.esa.int/documents signed by the Sub-contractor's representatives, as specified below.

The Sub-contractor shall, on request of Honeywell or the Agency, provide additional documentary evidence. At the request of either Party, the proposed change may be discussed at a Change Review Board, consisting of both the Contracts Officer and the Technical Officer of each Party.



**APPENDIX 6: Subcontractor's Insurance**

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