

MEMORANDUM OF UNDERSTANDING
BETWEEN
CZECH TECHNICAL UNIVERSITY IN PRAGUE, FACULTY OF MECHANICAL
ENGINEERING
AND
GE AVIATION CZECH S.R.O.

This Memorandum of Understanding (the “**Amendment**”) is made on the dates set forth in the signature blocks below to be effective as of the date of the last Party to execute this Agreement (the “**Effective Date**”) by and between **CZECH TECHNICAL UNIVERSITY IN PRAGUE, FACULTY OF MECHANICAL ENGINEERING**, a technical university organized and existing under the laws of the Czech Republic (“**CVUT**”), and **GE AVIATION CZECH s.r.o.**, a limited liability company, organized and existing under the laws of the Czech Republic (“**GEAC**”) (CVUT and GEAC are also referred to individually as “**Party**” and jointly as “**Parties**”).

RECITALS:

- A)** On October 14th, 2016 the **Parties** agreed on and signed the Research Collaboration Agreement (the “**RCA**”)
- B)** Following the signature of the RCA the **Parties** have effectively collaborated on the acquisition and development of new knowledge and skills, including, but not limited to, the development of new educational programs, by research and experimental development activities in the aerospace sector, with particular reference to the development, testing and technology related to the area of new turboprop aircraft engines and innovative materials (collectively, the “**Research Project**”), as more particularly described in and set forth in the Scope of Work attached to the RCA as Schedule 1 and incorporated therein by this reference (the “**Scope of Work**”);
- C)** Following the independent research and development within the Scope of Work and respecting its updated schedule due to objective causes outside the **Parties** cooperation under the RCA, the Parties are currently in the process of negotiating a new framework for their collaboration either by concluding a new Research Collaboration Agreement (the “**RCA 2**”) or by amending the current RCA.
- D)** Jointly anticipating the new framework for effective collaboration under the RCA 2 and taking into account the joint interest in ensuring that (i) research and development activities can commence under the new regime of RCA 2 and (ii) that ongoing research and development work may continue under the current RCA, as an interim measure, the **Parties** wish to execute this Memorandum of Understanding (the “**Memorandum**”).

In consideration of the covenants contained in this Memorandum, the Parties agree as follows:

ARTICLE 1 - DEFINITIONS

n this Amendment, unless the context otherwise requires, the expressions used have the same meaning as in the RCA:

- 1.1 “**RCA**” means the Research Collaboration Agreement including its Schedules, as amended.
- 1.2 “**RCA 2**” means the new Research Collaboration Agreement including its Schedules to be agreed between the Parties no later than by February 29th, 2024.
- 1.3 “**Recital(s)**” means the initial paragraphs (A) through (D) set forth above, the terms and conditions of which the Parties acknowledge and agree are an integral part of this Agreement.

ARTICLE 2 – MUTUAL UNDERSTANDING BETWEEN THE PARTIES

- 2.1 **Agreement to Agree.** The **Parties** shall use their best effort and act in good faith in order to conclude the RCA 2, based on mutually acceptable conditions, whilst also respecting the boundaries of the so called effective collaboration as described in Section 2.2.2 of the Communication from the Commission - Framework for State aid for research and development and innovation dated October 19th (2022 C(2022) 7388 final), no later than by February 29th, 2024. GEAC reserves the right to have the final terms approved per its internal corporate regulations. Refusal of such approval means that the Parties will renegotiate the terms to accommodate the corporate requirements (if possible) and the deadlines in Art. 2.1., Art. 2.2., and the last sentence of Art. 2.3 will be moved by 2 months. Regardless of the above, in the case the Parties shall not agree on RCA 2 by February 29th, 2024, in order to enable the continuation of research and development activities, they shall, without any delay, amend this Memorandum or conclude a new memorandum including financial Contribution which shall resolve necessary funding of all research and development activities for the year 2024.
- 2.2 **Ongoing and new R&D work.** The **Parties** agree that any and all ongoing, previously commenced work shall be executed within the framework of the RCA. Provided that the RCA 2 will be executed by the parties no later than March 31st, 2024, any new commenced work shall be executed within the framework of the RCA 2 under all the anticipated rules stipulated therein. Should this condition (deadline) not be met, all of the joint research and development work under this Memorandum shall be deemed as work under thereby amended Scope of Work under the RCA.
- 2.3 **Contribution.** In order to facilitate the transition to new RCA and specifically to enable that (i) research and development activities can commence under the new regime of RCA 2 and (ii) that ongoing research and development work may continue under the current RCA, the **GEAC** shall pay to CVUT a financial contribution in the amount of CZK (in words:) to partially cover the costs of joint research and development (the “**Contribution**”). The Contribution shall be payable no later than on January 10th, 2024. The Parties have agreed that provided that the RCA 2 will be executed by the parties no later than March 31st, 2024, GEAC may decide whether the Contribution shall be deemed as financial contribution by GEAC into the research and development collaboration under the RCA 2, or as financial contribution by GEAC under the RCA.

ARTICLE 3 - MISCELLANEOUS PROVISIONS

3.1 No Amendment to RCA. Unless expressly stated otherwise or following from this Amendment, this Amendment changes no provisions of the RCA, The RCA remains valid and effective unaffected by this Memorandum.

3.2 Counterparts. This Amendment may be executed in two or more identical counterparts, each of which shall be deemed an original and all of which taken together shall be deemed to constitute the Amendment when a duly authorized representative of each Party has signed a counterpart.

The Parties have caused this Amendment to be executed in two or more identical counterparts by their duly authorized representatives on the dates set forth below to be effective as of the Effective Date.

**CZECH TECHNICAL UNIVERSITY
IN PRAGUE, FACULTY OF
MECHANICAL ENGINEERING**

By: _____
Name: _____
Title: _____
Date: _____

GE AVIATION CZECH, S.R.O.

By: _____
Name: _____
Title: _____
Date: _____