**EXHIBIT**

**Form of Statement of Work**

**Statement of Work**

**dated** 15. 9. 2016

XXXXXXX

between

Honeywell, s.r.o-HTS CZ o.z

and

University of West Bohemia, RICE

STATEMENT OF WORK

This Statement of Work (SOW) dated 1. 9. 2016 between Honeywell, spol s.r.o., a company organized and existing under the laws of the Czech Republic with its registered seat at V Parku 2326/18, 148 00 Prague, Czech Republic, Identification No.: 186 27 757, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 2938, acting through its official branch Honeywell, spol s.r.o, - HTS CZ o.z., a company organized and existing under the laws of the Czech Republic with its registered seat Turanka 100/1387, 627 00 Brno, Czech Republic, registered in the Commercial Register maintained by the Regional Court in Brno, Section A, Insert 20249 (“Honeywell”)

**and**

University of West Bohemia, Faculty of Electrical Engineering, RICE - Regional Innovation Centre for Electrical Engineering; Univezitní 26, 306 14 Pilsen. A company organized and existing under the laws of the Czech Republic with its registered seat at Univerzitní 8, Plzeň, Identification No: 49777513, established by the Act of the Czech National Council No. 314/1991 Coll. (“Supplier”)

The Supplier will provide Honeywell with the Services detailed in this SOW in accordance with the following requirements and schedules and Honeywell will pay the Supplier the Fees and Expenses specified in this SOW, Schedule No. 9 and Appendix.

The relationship between Honeywell and Supplier will be governed by the Czech law, especially by the relevant provisions of the Civil Code, Act No. 89/2012 Coll.

**Scope:**

The scope of Services performed under this SOW includes those described in this SOW and any additional or new services to which the Parties mutually agree in a written Change Order.

**Place of Delivery:**

The Services and Deliverables provided under this SOW will be delivered at Univerzitní 26, Plzeň.

**Administrative Information:**

The Supplier Project Manager for this SOW is xxxxxxxx, xxxxxxx

The Honeywell Project Manager for this SOW is xxxxxxx

The Honeywell Purchase Order Reference No. for this SOW is xxxxxxxxxxxxx

**Term:**

The term of this SOW commences on **15.9. 2016** and terminates on **30. 11. 2017**, unless earlier terminated or extended as set forth in the Agreement. Provisions for extension of this SOW, if any, are also as set forth in the Agreement.

**Invoices:**

Invoices (including the Honeywell Purchase Order number) will be sent to:

Honeywell

CORPInvoice289@honeywell.com

With a copy to:

Honeywell

xxxxxx, email: xxxxxx

|  |
| --- |
| **Schedules** |
|  1. Services and Milestones |
|  2. Responsibilities |
|  3. Key Personnel |
|  4. Approved Subcontractors |
|  5. Service Location(s) |
|  6. Required Reports |
|  7. Required Meetings |
|  8. Required Software, Hardware, Equipment and Facilities |
|  9. Fees and Expenses |
| 10. Performance Guarantees and Credits |
| 11. Termination/ Expiration Assistance |
| 12. List of Change Orders |

List of appendixes:

1. Technical specification and business and payment conditions of the project (Rev. 5: January 20, 2016).

Honeywell notes that the Supplier is a subject legally bound to publish its contracts pursuant to Act no. 340/2015 Coll., and the Supplier will publish this SOW in the register of contracts.

This SOW comes into force upon its conclusion, i.e. on the date of the contract signature by the authorized representatives of both contractual parties. This SOW takes effect on the day of its publication in the register of contracts.

Any changes to the SOW herein can only be made in the form of written and dated supplements signed by authorized representatives of both Parties.

The Parties’ authorized representatives have executed this Statement of Work by their signatures below:

**Honeywell Supplier**

**By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

# SCHEDULES

## Schedule 1 – Services and Milestones

**Services**

Detailed specification of particular services (workpackages) including project outputs are defined in appendix 1.

| **#** | **Services / Deliverables** | Deliverable Due Date | Acceptance Criteria | Review Completion Date |
| --- | --- | --- | --- | --- |
| **1.0** | **xxxxxx**  |  | Honeywell review and sign-off |  |
| 1.1 | XXXXXX  | 90 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 1.2 | xxxxxxxxx | 90 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 1.3 | xxxxxxx  | 150 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverables: Research report |  |  |  |
| 1.4 | xxxxxxxxx | 320\* days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 1.5 | xxxxxxxxx | 240 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
|  | Deliverable: Research report |  |  |  |
| **2.0** | **xxxxxxxx**  |  | Honeywell review and sign-off |  |
| 2.1 | Analysis of xxxxxxx  | 120 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 2.2 | Mathematical models of xxxxxxxxx  | 180 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 2.3 | Design and manufacturing xxxxxxxxx | 270 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report, documentation (user guide including basic drawings) |  |  |  |
| 2.4 | Basic experimental tests xxxxxxx  | 320 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverables: Research report |  |  |  |
| **3.0** | **xxxxxxxx**  |  | Honeywell review and sign-off |  |
| 3.1 | xxxxxxx  | 120 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 3.2 | xxxxxxxxx  | 180 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 3.3 | Implementation of xxxxxxx  | 300 days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverable: Research report |  |  |  |
| 3.4 | Basic experimental tests xxxxxxx  | 320\* days after contract signature | Honeywell review and sign-off | 15 days after the date of delivery |
| Deliverables: Research report, xxxxxxx |  |  |  |

**\*) The term is dependent on a third-side supplier (manufacturer of the xxxxxx), therefore it can be shifted. The schedule assumes 120 days for a manufacturing of the prototypes.**

**Milestones**

| **#** | **Milestone Date** | Event  | Completion Criteria |
| --- | --- | --- | --- |
| 1 | 90 days after contract signature | Project Status and Design Review  | Reviewed and accepted by Honeywell. |
| 2 | 180 days after contract signature  | Project Status and Design Review  | Reviewed and accepted by Honeywell. |
| 3 | 270 days after contract signature  | Project Status and Design Review  | Reviewed and accepted by Honeywell. |
| 4 | 320 days after contract signature | Final Project Design Review | Reviewed and accepted by Honeywell. |
| 5 | 320 days after contract signature | Wrap up Meeting  | A mutual agreement on the next steps. |

## Schedule 2 –Responsibilities

In addition to the responsibilities and deliverables outlined in the Agreement, Supplier’s responsibilities for Services and Deliverables include but are not limited to the following:

**Supplier’s Responsibilities**

| **#** | **Responsibility** |
| --- | --- |
| 1 | **Intellectual Property of Honeywell** |
| 1.1 | Nothing in this Agreement shall establish or confer upon the supplier any right or license related to Honeywell's Intellectual Property, whether explicitly or implicitly. |
| 2 | **Intellectual Property of the Supplier** |
| 2.1 | Any and all Deliveries created by the Supplier shall be considered to be works created by the Supplier in order to fulfil the Supplier's obligations under this Agreement or in connection with this Agreement.  |
| 2.2 | If the individual Deliveries (or a part thereof) form (create) an object of Intellectual Property, the Supplier hereby, with effect as of the moment of the creation of the Delivery, grants Honeywell an exclusive, unlimited and worldwide license to use such Intellectual Property and/or any part thereof through any medium. For any object of Intellectual Property, that has been created by the Supplier before entering into this SOW or outside of the performance of this SOW which is used as a part of the Deliveries, the Supplier grants Honeywell non-exclusive, unlimited and worldwide license to use such Intellectual Property. |
| 2.3 | The Supplier hereby also grants Honeywell the right to grant any third parties sub-licenses to use the Intellectual Property pursuant to this part of agreement, all of which under the terms and conditions and to the extent solely determined by Honeywell. Honeywell has inter alia the right to reproduce, exhibit, operate, distribute, lease, import and export the Deliveries or any part thereof, and if Honeywell deems it appropriate, to adjust or translate the Deliveries. The Supplier agrees that Honeywell shall attach its copyright notice to the Deliveries or any part thereof if there will be clearly stated the Deliveries were achieved in the cooperation with the Supplier. |
| 2.4 | The Supplier hereby confirms that the Remuneration specified in part Fees and Expenses hereof already reflect and include the usual remuneration for the time and efforts devoted by the Supplier to create the Deliveries, and also reflect and include the remuneration for drafting the licenses in accordance with this part of agreement. For the avoidance of doubt, the Parties hereby declare that they wish to validly conclude the above license without specifying the amount of the license fee. The Supplier further confirms that Honeywell has no other liabilities against the Supplier with respect to the Intellectual Property. |
| 2.5 | All Intellectual Property rights relating to the Deliveries, including the Documents and software or other materials created by the Supplier directly or indirectly in relation to this Agreement, shall be used by Honeywell in accordance with the applicable legal regulations and/or the license under part 2.2. The Supplier shall not be entitled to use any of the Deliveries or other materials in any way or to grant additional licenses for the use of the Intellectual Property to any third parties, with the exception of the fulfilment of the Supplier's obligations hereunder or under any other written contract with Honeywell. |
| 2.6 | The Supplier hereby warrant and declares to Honeywell that it is entitled to grant the above licenses either on the basis that it exercises the proprietary rights to the works included in the Deliveries pursuant to Section 58 (“zaměstnanecké dílo”) of the Czech Act No. 121/2000 Coll., the Copyright Act, as amended, or on the basis of the license agreements concluded with the relevant personnel the Supplier used to perform this Agreement, or otherwise. |
| 2.7 | To the extent the Supplier is not entitled to grant the licenses listed in this part of this Agreement, the Supplier undertakes to obtain proper consents and/or amend its employment contracts and/or conclude relevant license agreements, and to subsequently (re-)grant the above licenses to Honeywell. In the alternative, the Supplier may fulfil its latter obligation by procuring that the licenses will be granted to Honeywell directly by the relevant personnel the Supplier used to perform this Agreement. |

**Honeywell Responsibilities**

In addition to the responsibilities outlined in the Agreement, Honeywell’s responsibilities include but are not limited to the following:

| **#** | **Responsibility** | **Due Date or Deadline** |
| --- | --- | --- |
| 1 | Providing of two samples of the 1st generation prototypes (manufacturing and budget covering) | 270 days after contract signature |
| 2 |  |  |
| 3 |  |  |
| 4 |  |  |
| 5 |  |  |
| 6 |  |  |
| 7 |  |  |

## Schedule 3 – Key Personnel

**Supplier Personnel: List Key Supplier Personnel only if they are critical.**

Note: Supplier is responsible for providing the deliverables and assigning adequate personnel to do so. Supplier is responsible for the day-to-day management of their personnel.

|  |  |
| --- | --- |
| **Name** | **Title** |
| xxxxxxx  |  xxxxx |
|  |  |
|  |  |
|  |  |
|  |  |

## Schedule 4 – Approved Subcontractors

**Approved Subcontractors:**

| **Approved Subcontractor Name** | **Describe Subcontracted Services** | **Limitations Regarding Subcontracted Services** |
| --- | --- | --- |
| None |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

## Schedule 5 –Service Location(s)

|  |
| --- |
| Supplier Service Location(s): |
| Univerzitní 26, Plzeň 306 14 |
|  |
|  |

|  |
| --- |
| Honeywell Service Location(s): |
| Tuřanka 100, Brno 627 00 |
|  |
|  |

## Schedule 6 – Required Reports

|  |
| --- |
| Required Reports: |
| See Section “Schedule 1” |
|  |
|  |
|  |

## Schedule 7 – Required Meetings

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| --- |
| Required Meetings: |
| See Section “Schedule 1” |
|  |
|  |
|  |

## Schedule 8 – Required Software, Hardware, Equipment, and Facilities

List items required to be supplied by Honeywell and Supplier to complete the services:

|  |
| --- |
| **Supplier Required Software, Hardware and Equipment** |
| None |
|  |
|  |
|  |

|  |
| --- |
| **Honeywell Required Software, Hardware and Equipment** |
| See Section “Schedule 1” |
|  |
|  |
|  |

## Schedule 9 – Fees and Expenses

I. For Fixed Fee Engagement:

Specify the Suppliers fee for the Services and Deliverables provided under this SOW

|  | **Deliverable or Milestone** | **Amount** |
| --- | --- | --- |
| **1.0** | **Design Analysis and Optimization xxxxxxx - invoice will be issued by the Supplier when Deliverable is achieved**  | 2 180 000 CZK |
| 1.1 | xxx  | 410 000 CZK |
| 1.2 | xxx | 290 000 CZK |
| 1.3 | xxx | 680 000 CZK |
| 1.4 | xxx | 510 000 CZK |
| 1.5 | Xxx | 290 000 CZK |
| **2.0** | **Xxx invoice will be issued by the Supplier when Deliverable is achieved** | 1 735 000 CZK |
| 2.1 | Xxx | 385 000 CZK |
| 2.2 | Xxx | 400 000 CZK |
| 2.3 | Xxx | 550 000 CZK |
| 2.4 | Xxx | 400 000 CZK |
| **3.0** | **Xxx - invoice will be issued by the Supplier when Deliverable is achieved** | 1 920 000 CZK |
| 3.1 | Xxx | 450 000 CZK |
| 3.2 | Xxx | 600 000 CZK |
| 3.3 | xxx | 420 000 CZK |
| 3.4 | Basic experimental tests performed on xxxxxx  | 450 000 CZK |
|  | ***Total Fees***  | **5 835 000 CZK** **without VAT** |

**Invoicing**. Payment to the UWB – RICE (the Supplier) will be due 21 days following Honeywell’s receipt of an invoice.

II. Professional Services Fees:

The following fee schedule sets forth the maximum fees to be used when calculating project fees for Services under this SOW that are billed on a time and materials basis.

**[Note: If used, include under Supplier Responsibilities that Supplier will be responsible for providing a detailed report of actual hours and rates expended by each of their resources on the project.]**

| **Task/Project** | **Fee Amounts** |
| --- | --- |
| None |  |
|  |  |
|  |  |
| *Total Fees*  |  |

**III. Software License, Hardware and Equipment Fees:**

|  |  |
| --- | --- |
| **Description:**  | **Fee Amount:** |
| None |  |
|  |  |
| *Total Fees* |  |

**IV. Miscellaneous.**

None

## Schedule 10 – Performance Guarantees and Credits

| **#** |  **SERVICES** | **MILESTONE** | **% REDUCTION FOR FAILURE TO MEET MILESTONE** |
| --- | --- | --- | --- |
| 1 | Same as Section “Schedule 1” -Milestones | 1-5 | Invoice will be not paid until deliverables are achieved |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
| 5 |  |  |  |
| 6 |  |  |  |
| 7 |  |  |  |
| 8 |  |  |  |
| 9 |  |  |  |
| 10 |  |  |  |

## Schedule 11 – Termination/Expiration Assistance

Should either Party terminate this SOW prior to the normal expiration of the SOW, Supplier will provide the following Services to Honeywell no later than the effective date of the termination and perform any services required under the Term and Termination Section of the Agreement:

* Deliver to Honeywell in the format and on the media specified by Honeywell the most current version of all Work Product created under this SOW.
* Return to Honeywell all Honeywell data and Honeywell Confidential Information.

## Schedule 12 – List of Change Orders

| **Change Order Number** | **Change Order Date** | **Change Order Author** | **Change Order Description** |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
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|  |  |  |  |