

**AUTHORIZATION TO PROCEED (ATP) No. 1 to VZLU  
[REDACTED] Structures**

[REDACTED] a company duly organized under the laws of [REDACTED] having its principle office at [REDACTED] hereinafter referred to as [REDACTED] or "the Customer" is placing this Authorization To Proceed (hereafter ATP) to **VÝZKUMNÝ A ZKUŠEBNÍ LETECKÝ ÚSTAV, a.s.**, having its registered seat at Beranových 130, 199 05 Praha – Letňany; Czech Republic, hereinafter referred to as "**VZLU**" or "**the Contractor** for initiating the activities for the [REDACTED] program.

Without prejudice to the negotiations in progress between the Customer and the Contractor and their outcome, this ATP is placed in order to determine the conditions under which the Contractor can initiate its activities for the [REDACTED]  
[REDACTED]

**Article 1 – Obligations of the Contractor and applicable Documents**

**1.1 Definition of the Work**

Pursuant of this ATP until its expiry date, as set forth in Article 4 below, the Contractor commits to perform the work whose nature, definition and substance, is defined in Annex 1 (hereinafter the "Work").

The present ATP is released under the condition that all work performed and expenses incurred under this ATP shall, in the case of a signature of a future contract between the parties, be retroactively deemed performed and incurred under the terms and conditions of such contract.

**1.2 Applicable Documents**

This ATP is placed within the time frame and the requirements defined in the documents called out therein and listed in their order of precedence in case of conflict:

1. The articles of the present ATP,
2. [REDACTED]

3. Annex 1 Description of works

**Article 2 – Limit of Liability and Payment Conditions**

**2.1 Limit of Liability**

The Contractor is hereby authorized to proceed with the work within the Limit of Liability (hereinafter the "LoL") amounting [REDACTED]

██████████ exclusive of import duties and taxes, which shall constitute ██████████  
limit of liability ██████████

Any work carried out and/or expenditures engaged and/or cost supported by the Contractor and its subcontractors, beyond the LoL and the period of validity of this ATP without the Customer written authorization shall be at the Contractor's expenses and shall not, in any event, be supported, directly or indirectly by the Customer. The Customer for the purpose of its own activities under the ██████████ program and ██████████ shall be granted full visibility on the allocation and use by the Contractor of the allocated LoL.

## 2.2 Financial Conditions

No payments are foreseen under this ATP.

## 2.3 The Customer's decision not to proceed with the work after ██████████

Should the Customer decide, not to proceed with the work after ██████████ ██████████ shall reimburse the Contractor for expenditures incurred under this ATP, on the basis of the time and material type of price defined in ██████████ ██████████ up to the LoL, being understood that ██████████ shall not be obliged to pay the compensation foreseen in ██████████. In addition, should the decision not to proceed with the work be directed by ██████████, the amount due to the Contractor by ██████████ under this clause will be subject to ██████████ approval and ██████████ shall not be liable to reimburse any other amount in excess of the amount approved by ██████████ in accordance with the ██████████ and this ATP.

For the purpose of the paragraph above, ██████████ and/or the Customer may audit, either itself or through an authorized representative, the claim of the Contractor for cost incurred within this ATP period.

The Contractor agrees to make available on request of the Customer or ██████████ or the persons or bodies designated by them, any documents necessary for the proper execution of the audits and accounting investigations. The Contractor undertakes to furnish, if requested by ██████████ and/or the Customer, all information and justification regarding cost, prices, stocks, supplies and services relevant to the performance of the work foreseen in Article 1. This information should be provided in writing if so requested. The audit shall normally take place at the Contractor's premises.

While observing any relevant security regulations the Contractor undertakes to allow ██████████ and/or the Customer and the persons or bodies designated by it to inspect the facilities used and also the stores in which the documents, stocks and goods are housed, to the extent that there are documents, stocks and goods necessary to the execution of the work.

## Article 3 – Authorization, Redirection and Modifications

Notwithstanding the aforesaid, the Customer reserves the right to amend or modify the list of tasks, activities and companies being the subject of the present ATP and the Contractor shall be required to implement such redirection. In such case, the

change shall be processed through a rider. The Contractor shall not initiate the implementation of any change without agreement between the parties. Authorization, redirection and modification within the terms and conditions of this ATP shall be made in writing and require the signature of the parties representative.

#### **Article 4 – Validity Period of the ATP**

This ATP shall enter into force at the date of its latest signature without reservation by the parties and shall automatically expire upon the occurrence of the first of the following events:

- The entry into force of the contract executed between the parties;
- [REDACTED] if, on this date for whatever reason, the contract is not entered into force, except if a period extension has been expressly agreed in writing by the parties.

#### **Article 4 – Miscellaneous Conditions**

By signing this ATP, the Contractor abandons any claim or any action against the Customer for any damage that may arise in case the contract is not executed between the parties for the activities covered by this ATP.

Upon signature and entry into force of the contract between the Customer and the Contractor, this ATP shall expire and the terms and conditions of the contract shall retroactively be binding upon the parties and shall apply to the work performed under this ATP.

#### **Article 5 – Acceptance of the ATP**

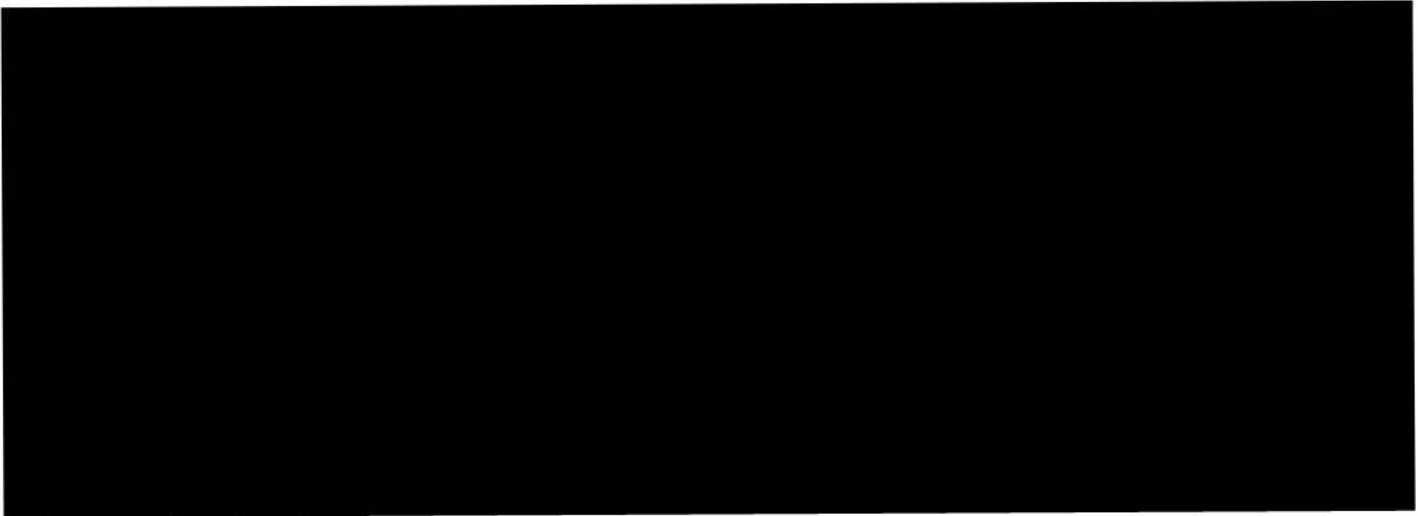
Upon signature by its duly authorized representative(s), each party agrees without reservation to the terms and conditions of this ATP.

Any modification of this ATP, including any postponement of the expiring date, shall be made in writing and signed by the duly authorized representative(s) of the Customer and the Contractor.

#### **Article 6 – Acceptance of the ATP**

The substantive law referred to is the law of [REDACTED] with the exclusion of the [REDACTED]

Done and signed in two (2) original copies, one for each party.



For VÝZKUMNÝ A ZKUŠEBNÍ LETECKÝ ÚSTAV, a.s

In:.....

Date:..



Date: 31 OCT 2017



Name: JOSEF KASPAR

Title: CHAIRMAN OF THE BOARD

Name: VIKTOR KUČERA

Title: VICE-CHAIRMAN OF THE BOARD

VÝZKUMNÝ A ZKUŠEBNÍ LETECKÝ ÚSTAV a.s.  
(i)  
-Benešových 100  
199 05 Praha - Letňany  
IČO: 00010669, ÚIC: 0200010669



## Annex 1 – Descriptions of Works

The present annex aims at defining the scope of work related to this ATP.

### Activities to be performed:

- |   |                  |
|---|------------------|
| 1. Start of Tender process for [REDACTED]             |                  |
| a. [REDACTED]   | Value [REDACTED] |
| b. [REDACTED]   | Value [REDACTED] |
| 2) Engineering package including licenses and travel: | Value [REDACTED] |

