

# Rental Contract

The following parties have agreed to the Rental Contract described herein:

**Business and Investment Development Agency CZECHINVEST**

Identification number: 713 77 999

Registered address: Štěpánská 15, 120 00 Prague 2, Czech Republic

**legally represented by Silvana Jirotková, General Director,**

hereinafter also referred to as the “**Provider**”

On the one part

and

**FoxWorks Aerospace s.r.o.**

Company registration number: 03758559

Registered address: Bělehradská 858/23, 120 00 Praha 2

Registered in the Commercial Register at the Municipal Court in Prague

**legally represented by Marián Šuch, Director,**

hereinafter also referred to as the “**User**”

On the other part,

(Together, hereinafter referred to as the “**Parties**” or individually as a “**Party**”).

## Preamble

Business and Investment Development Agency CzechInvest (hereinafter also referred to as “CzechInvest”) is responsible for the implementation process of the ESA BIC programme in the capital of the Czech Republic, i.e. in the City of Prague, which is one of the partners for the ESA BIC Prague programme.

CzechInvest has subleased the office space required for this purpose from the lessee and obtained permission to further sublease it to the companies incubated in the Prague Startup Centre, Adria Palace – Jungmannova 36/31, Prague 1.

The User is a start-up company in the field of space technologies and applications. As part of the ESA BIC programme, the User has been selected for incubation for a period of up to 24 months.

For the 24 months of the incubation period, CzechInvest shall provide the User with commercial premises in the Prague Startup Centre, Adria Palace, under the rental conditions listed herein. Following this period, the User shall be encouraged to continue to rent these commercial premises. If it so chooses, the User and CzechInvest shall conclude a separate rental contract.

## **ARTICLE 1**

### **Subject of Sublease and Handover and Takeover Thereof**

1. The following premises in the Prague Startup Centre, Adria Palace - Jungmannova 36/31, Prague 1, shall be rent to the User: 1 office place in a shared office situated on the 3rd floor, office number 3.87 with an area of 5 m<sup>2</sup> (hereinafter also referred to as the “Premises”), with option for rent of rack space and maintenance.
2. In addition, the User shall have access to the following common areas and facilities for shared use thereof with the Prague Startup Centre:
  - kitchen on the same floor
  - entrance hall
  - conference rooms (restricted use)
  - bathroom and toilets on the same floor
  - passageways
  - internet access.

The use of the conference rooms is to be coordinated in advance with the Provider.

3. As part of the sublease, the User shall be entitled to use the office furnishings and equipment specified in Article 3 of this Contract.
4. The Provider undertakes to provide the User with the Premises and other parts of the subject of the sublease in a condition that is fit for the agreed purpose of use and to keep them in such condition.
5. The handover of the Premises and other parts of the subject of the sublease by the Provider and takeover thereof by the User shall be recorded in the Protocol on handover and takeover (hereinafter also the ‘Protocol’), which shall be signed by both Parties and shall form Annex No.1 to this Contract. The condition of the subject of the sublease at the time of handover shall also be recorded in the Protocol. Any defects stated in the Protocol are to be removed by the Provider.
6. The Provider is to be notified immediately of any damage to the Premises and other parts of the subject of the sublease.
7. Upon the handover of the Premises, the User shall receive two sets of keys and, if required, also keycards for the Premises. The User is not allowed to make any copies of the keys without obtaining the Provider’s permission.

The cost of any additional keys or keycards required by the User shall be borne by the User. If any keys or keycards received or otherwise procured by the User are lost, the Provider is to be notified immediately. If a keycard is lost, the Provider shall have the right to have the keycard blocked by the owner of the Premises. If the User is responsible for the loss of a key, the User shall bear the cost of procuring a replacement lock and the corresponding required keys. Analogously, if the Premises have a master key system and if, as a result of the loss of a key for which the User is responsible, the master key system must be fully replaced, the User shall also bear the corresponding cost. In general, new keys may only be ordered from the Provider with the involvement of the owner of the Premises.

All keys and keycards received or otherwise procured by the User are to be returned to the Provider after the termination of this Contract. Should the User fail to do so by a set deadline despite reminders, the Provider shall have the right to replace all of the respective locks at the User's expense. The User shall also be liable for the abuse of keys and keycards by its employees or other individuals to whom the User allowed to use the keys and/or keycards.

## **ARTICLE 2**

### **Purpose of Sublease**

The Premises described herein shall be used exclusively as an office.

The User shall be entitled in the Premises to carry out activities corresponding to its scope of business as registered in the Commercial Register (i.e. production, trade and services not listed in annexes 1 to 3 of the Trade Licensing Act).

## **ARTICLE 3**

### **Office Furnishing and Equipment**

1. The Premises shall be furnished with the following office furnishings:
  - office desk,
  - lockable container
  - chair.
  
2. The following equipment shall also be provided to the User for shared use thereof with the Prague Startup Centre:
  - Printer
  - Scanner.

3. The office furnishings in the Premises handed over to the User, jointly used facilities and equipment, and all other items and technical equipment in the Premises used by the User are to be treated with care by the User and returned properly at the end of the sublease, taking into account normal wear and tear thereof during proper use.

#### **ARTICLE 4**

##### **Rental Period**

1. This Rental Contract becomes effective on the date of its signature by both Parties. It has been concluded for a period of 24 months following this date (hereinafter also the 'Rental period'). However, if this Rental Contract is subject to the publishing in the register of contracts pursuant to Act No. 340/2015 Coll. (see also Article 14, paragraph 3, below), it shall become effective on the date of such publication. Also in such case, the Rental period of 24 months shall be counted from the date of the signature of the Contract by both Parties.
2. There shall be no tacit extension of this Rental Contract should the User simply continue using the Premises after the expiry of the Rental period.
3. This Contract may be terminated before the expiry of the Rental Period in accordance with Article 11.

#### **ARTICLE 5**

##### **Sublease Payment, Deposit**

1. Payment for the use of the Premises subleased as specified in Article 1, including the use of the common areas and facilities for shared use with the Prague Startup Centre specified in Article 1 and the use of the office furnishings and equipment described in Article 3, shall amount to CZK 2.427,70 (in words: two thousand four hundred and twenty seven and 70/100 Czech crowns) per month. Additionally, the cost of rack lease shall amount to CZK 600 (in words: six hundred Czech crowns) per month. This payment shall be paid to the account no. 70009-535021/0710 as specified below in the paragraph 3.
2. This amount is specified without VAT. VAT shall be charged in accordance with the VAT Act effective as at the date of the issue of the specific invoice.
3. Payments shall be made on the basis of invoices issued by the Provider. The Provider will issue the invoices in advance, on the 5<sup>th</sup> day of the month preceding the month for which the sublease payment shall be paid. The first two payments after the commencement of the Rental period shall be paid on the basis of the invoice which shall be issued on the 5<sup>th</sup> day of the month following the month of the commencement of the Rental period. The payments shall be made

within 15 (fifteen) days after the issue of the specific invoice. However, if the invoice was not delivered to the User at least 10 days prior to the expiry of this period, the due date shall be prolonged by the relevant number of days of the Provider's delay with the delivery of the invoice to the User.

Invoices will be sent to the User via e-mail to the following e-mail address:

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4. The amount of the sublease payment acc. to paragraph 1. of this Article 5 shall also include payments for the following services related to the use of the Premises, which shall be provided or arranged for by the Provider:
  - Building maintenance, maintenance of the Premises, maintenance of the common areas in the Prague Startup Centre and of the facilities and equipment for shared use;
  - Cleaning of the Premises and common areas in the Prague Startup Centre;
  - Water supply and sewage disposal, collection of municipal waste;
  - Electricity supply;
  - Heating and airconditioning/cooling;
  - Internet access.
5. The User shall render to the Provider a rental deposit in the amount of one monthly sublease payment (net – i.e. CZK 2.427,70). The deposit will be paid on the basis of an invoice issued by the Provider after the commencement of the Rental period. The Provider shall hold the deposit in a separate account. The Provider shall have the right to satisfy its due claims against the User from the deposit during the Rental period. If this occurs, the User shall be obliged to restore the deposit to its original amount. During the Rental period, the User may not set off the deposit or any part thereof (as its claim against the Provider) against any due claims of the Provider. Rental deposit shall be paid to the account no. 80004-535021/0710.
6. The User shall be penalized with a fine of 0,5% of the unpaid amount for every day of the delay with the payment of the sublease payment.

## **ARTICLE 6**

### **Liability of Provider**

The User shall not be entitled to damages claimed due to any defect of the subject of sublease or any delay on the part of the Provider in eliminating such defect, provided that the defect was not caused by a deliberate action or gross negligence of the Provider or its auxiliary agencies. This shall affect neither the User's right to have such defects eliminated nor its right to render a reduced sublease payment.

## **ARTICLE 7**

### **Structural Alterations, Access, Minor Repairs**

1. The User must obtain a prior written consent from the Provider before making any structural alterations to the Premises subleased.
2. The Provider must provide the User with an advance notification before entering and inspecting the condition of the Premises subleased. Such inspection will take place during business hours. An authorized representative may also exercise this right on behalf of the Provider.
3. The User shall be responsible for minor repairs of the Premises and of the office furnishings in the Premises should the extent of wear thereof require them following the expiry of the Rental period. This shall also apply if the sublease is terminated before the expiry of the Rental period. Should the minor repairs not be required by the Provider at such point in time, the User shall be obligated to contribute – based on the duration of its use of the Premises and taking into account minor repairs carried out by the User and documented by it during the Rental period – to the required renovation costs. The Provider shall have the extent of the work and costs required ascertained by a specialized company in the corresponding field.

## **ARTICLE 8**

### **Change of Purpose of Sublease, Further Subleasing**

1. The User must obtain written consent from the Provider before using the Premises for any purpose not defined in this Contract.
2. The User has no right to further sublease the Premises.

## **ARTICLE 9**

### **Advertising**

After obtaining the Provider's permission, the User shall have the right to affix company signs to specified locations within the building and on its exterior, provided that doing so neither negatively impacts the building's uniform overall appearance nor violates its regulations.

## **ARTICLE 10**

### **Competitive Protection**

The User shall not be entitled to any protection from competition.

## **ARTICLE 11**

### **Termination of Contract**

1. Neither Party shall have the right to seek orderly termination of this Rental Contract before the expiry of the Rental period.
2. The Provider shall have the right to terminate the Rental Contract before the expiry of the Rental period by written notice with an immediate effect in the following cases:
  - a) The User is delayed repeatedly or for a period longer than 1 month with the due payments according to Article 5 of this Contract and has not paid the amount due even following the receipt of the Provider's reminder, within the deadline set in the reminder;
  - b) The User grossly violates its other contractual duties and does not fulfil them in good time even following the receipt of the Provider's reminder;
  - c) The User is declared bankrupt.
3. The User shall have the right to terminate the Rental Contract before the expiry of the Rental period by a three (3) months written notice in the following cases:
  - a) The User has lost the ability to perform the activities for the purpose of which the Premises were subleased;
  - b) The subleased Premises, for objective reasons, ceased to be fit for the purpose of performance of the activities for which they were subleased and the Provider fails to provide the User with an adequate replacement space;
  - c) The Provider grossly violates its obligations towards the User.
4. The provisions of this Article 11 do not exclude the right of the Parties to withdraw from this Contract for reasons stipulated by law.
5. This Rental Contract shall terminate on the day of the termination of the incubation contract concluded by the Parties.

## **ARTICLE 12**

### **Return of Subject of Sublease**

At the end of the Rental period (or upon earlier termination of this Contract), the User shall be obligated to return the subleased Premises empty and fully cleaned, having performed all required minor repairs (if any). Any damage exceeding the normal wear and tear during the proper use of the Premises caused by the User, or any other persons who have entered the Premises with the knowledge and permission of the User must be removed by the User. Mobile

objects not owned by the Provider must be removed from the subleased Premises and/or disposed of in an orderly manner.

### **ARTICLE 13**

#### **Changes Required in Writing**

No verbal agreements concerning this Contract shall be made. Any changes or amendments to this Contract must be made in writing. This also applies to any agreement to eliminate the written form requirement.

### **ARTICLE 14**

#### **Special Stipulations, Applicable Law**

1. The User shall follow the regulations of the building that houses the Premises subleased. The User acknowledges the receipt of a current copy of these regulations.
2. This Contract shall be governed by Czech law, in particular by Act No. 89/2012 Coll., the Civil Code. The Czech courts shall have exclusive jurisdiction to decide any disputes arising out of this Contract or in connection with it, which were not settled by negotiations of the Parties.
3. This Contract may be published in the register of the contracts according to the Act No. 340/2015 Coll. if the legal conditions for the publishing are fulfilled.

### **ARTICLE 15**

#### **Severability Clause, Enclosure**

1. Should any provision of this Contract be or become ineffective, this shall not affect the validity of the Contract's remaining provisions. The Parties to this Contract shall be obligated to replace any ineffective provision with a provision that corresponds as closely as possible to their legal and business aims.
2. The following document shall be attached to this Contract and shall form integral part thereof:  
Annex No. 1: Protocol on handover and takeover.



Done and signed in four (4) original copies, two for each Party to this Contract.

**On behalf of the Provider - CzechInvest:**

In Prague on 20.7.2018

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Silvana Jirotková, General Director

**On behalf of the User - FoxWorks Aerospace s.r.o.:**

In Prague on 26.7.2018

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Marián Šuch, Director