

COOPERATION AND CUSTOMER PROTECTION AGREEMENT

This **COOPERATION AND CUSTOMER PROTECTION AGREEMENT** ("Agreement") is made and entered into force on July 1st 2019 ("Effective Date") by and between following parties:

The Centre of Experimental Medicine (CEM) of the Slovak Academy of Sciences (SAS) having its Registered Office at Dúbravská cesta 9, 841 04 Bratislava, Slovak Republic, IČO: 00598453 (hereinafter referred to as "**PARTNER**")

AND

Sitno Pharma, s.r.o., a company duly incorporated under the laws of Slovak Republic and having its Registered Office at Rybné Námestie 1, 811 02 Bratislava, Slovakia, IČO: 46895744 (hereinafter referred to as "**SITNO**")

PARTNER and SITNO shall individually refer to as "party" and collectively referred to as "parties".

PREAMBLE

PARTNER is performing *in-vivo* and *in-vitro* testing and Studies ("STUDIES" or "SERVICES") for Agrochemicals, Chemicals, Biocides, Medical Devices, Pharmaceutical Products, etc. and also other services for pharmaceutical, chemical, agrochemical and biotechnological industry and would like to sell these activities in different markets and potentially to different customers, whereas PARTNER would like to use the network, customer basis, experience and market knowledge of SITNO in order to sell these services to the external customers.

SITNO is engaged in the sales, marketing and business development activities for chemical, pharmaceutical and biotechnological industry ("CUSTOMERS") represented by developers and manufacturers of chemical, pharmaceutical, biotechnological products and agrochemicals and medical devices ("PRODUCTS") and supports them in finding suitable collaboration partners for defined projects worldwide. SITNO would like to acquire new customers for contract research to be carried out by PARTNER in their own premises.

Now therefore PARTNER and SITNO agree that the above-mentioned individual provisions shall be carried out in accordance with the following Agreement:

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1. DEFINITIONS

Wherever used in this Agreement the words and terms, whether used in the singular or plural, shall have the respective meanings set out hereto. In addition, words and expressions parenthetically defined elsewhere in this Agreement shall, throughout this Agreement, have the meanings therein provided:

"Customer"	shall individually refer to any third party, which was acquired by SITNO and is interested to perform Services and Studies using capacities of PARTNER. All Customers defined by SITNO and brought to PARTNER are subject to this Agreement and to the Full Customer Protection as defined Later in this Agreement.
"GLP"	shall mean the European Union's Good Laboratory Practices in accordance with the OECD Principles of Good Laboratory Practice which are contained in Annex II of the Decision of the Council concerning the Mutual Acceptance of Data in the Assessment of Chemicals [C(81)30(Final)]. The 1981 Council Decision was amended in 1997, at which time Annex II was replaced by the revised Principles of GLP [C(97)186/Final]
"Party"	shall individually refer to SITNO or PARTNER and collectively to both SITNO and PARTNER
"Study/Service"	shall mean <i>in-vivo</i> and <i>in-vitro</i> testing of Agrochemicals, Chemicals, Biocides, Medical Devices, Pharmaceutical Products, etc. and also other services for pharmaceutical, chemical, agrochemical and biotechnological industry performed by PARTNER

2. BASIS OF AGREEMENT

- 2.1 From time to time, SITNO may wish to engage PARTNER to perform Services for CUSTOMERS. Such Services will be described and set forth in corresponding Annex of this Agreement or in separate Purchase Order. Each Service agreed between parties will set forth the material terms for the project, specified Services, Deliverables, timelines, milestones (if any), requirements for quality assurance (if required), budget, payment schedule and such other details and special arrangements agreed by the parties with respect to the activities to be performed under such Service. No Service will be effective unless and until it has been agreed and signed by both parties.
- 2.2 PARTNER is holder of GLP certificate issued by the authority located within European Union territory. Furthermore, PARTNER has all necessary permits and licenses required to comply with all applicable legislations, GLP directives, regulations and standards for the works as defined herein. Parties hereby agreed, if any legislation change and/or any respective regulation occur after signage of this Contract, PARTNER shall obtain such required permits and licenses as well as has to comply with all applicable legislations, directives, regulations and standards which are in coherence with the services to be provided.

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- 2.3 PARTNER will perform Services at the facilities of PARTNER and will provide all staff necessary to perform the Services in accordance with the terms of this Agreement, and hold at such Facility all Equipment and Materials and other items used during performance of Services. PARTNER will not change the location of such Facility or use any additional facility for the performance of Services under this Agreement without prior written consent from SITNO.
- 2.4 PARTNER shall perform agreed Services workman likely. In particular PARTNER shall appoint only skilled and with the subject confidant employees to fulfil the obligations under this Agreement. New employees shall be trained and incorporated sufficiently before an independent employment, as well as PARTNER shall provide the work performances workman likely on the basis of current scientific and technical knowledge.
- 2.5 PARTNER is not entitled to authorize subcontractors for the performance of the Services.
- 2.6 PARTNER appoints SITNO to act as an intermediary (Agent) to promote the sales of Studies performed by PARTNER.
- 2.7 SITNO accept such appointment and has identified and acquired potential clients, (hereinafter called "CUSTOMERS ") who might be interested in cooperation using expertise of PARTNER.
- 2.8 PARTNER grants to SITNO a "full customer protection" related to the CUSTOMERS and their requested services, whereas such protection means:
 - a. that any commercial (included but not limited only to price, payment terms and conditions) and contractual issues concerning the services performed for CUSTOMERS of SITNO will be negotiated only between SITNO and the CUSTOMERS directly; and PARTNER has no right to enter into such discussions with CUSTOMERS;
 - b. that PARTNER and any of its partners agree not to get in direct or indirect touch with Customers of SITNO and have no motive to do so. Shall any future inquiry from the CUSTOMERS previously identified by SITNO be receipt by the PARTNER, no matter where it comes from and when it will come (even after expiry of this Agreement) the PARTNER and any of its officers and employees commit themselves to forward it to the SITNO, which exclusively attends this Customer;
 - c. that any technical inquiry can be conducted and discussed directly between PARTNER and CUSTOMERS with a copy to SITNO; and
 - d. that all agreements concerning the Services will be executed between CUSTOMERS and SITNO, indicating the role of PARTNER; and
 - e. that PARTNER shall not, and has no authority to enter into any agreements or make any decisions on behalf of SITNO without prior written consent of SITNO.
- 2.9 Obligations of SITNO and Procedure of Acquisition:
 - a. SITNO will introduce services of PARTNER to the CUSTOMERS.
 - b. SITNO will be acting in the best interest of PARTNER and will optimize the commercial terms of the agreements with the CUSTOMERS.
 - c. If CUSTOMER will be interested in such SERVICES performed by PARTNER, SITNO will

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issue Purchase Order for such Service to PARTNER.

- d. If the Service offered by SITNO and performed by PARTNER will be accepted by CUSTOMER, SITNO will place an Purchase Order to PARTNER to perform agreed Study. All financial, technical and other details of such Study will be agreed in a separate Order or/and Agreement.

3. CHANGES TO THE SERVICES

If the scope of work of agreed Service changes then the applicable Purchase Order may be amended. If a required modification to a Service is identified by SITNO, or by PARTNER, the identifying party will notify the other party as soon as reasonably possible. PARTNER will provide SITNO with a change order containing a description of the required modifications and their effect on the scope, fees, payments and timelines specified in the corresponding Annex ("Change Order"). No Change Order will be effective unless and until it has been signed by both parties. Any costs arising out from such Change Order will be borne by SITNO, unless the Change Order is required as a result of a failure by PARTNER to comply with the terms of agreed Service or to perform its obligations hereunder, in which case the costs arising out of such Change Order shall be borne by PARTNER.

4. RECORDS

PARTNER will keep complete and accurate records (including and without limitation to reports, accounts, notes, data, and records of all information and results obtained from performance of Services) of all work done by it under this Agreement (collectively, the "Records").

PARTNER will not transfer, deliver or otherwise provide any such Records to any party other than SITNO or regular state Authority. Records will be available at reasonable times for inspection, examination and copying by or on behalf of SITNO. Upon SITNO's request, PARTNER will promptly provide SITNO with copies of such Records.

5. SAFETY PROCEDURES

PARTNER will be solely responsible for implementing and maintaining health and safety procedures for the performance of Services and for the handling of any materials or hazardous waste used in or generated by the Services. SITNO will have no responsibility for PARTNER's health and safety program.

6. PAYMENT AND PAYMENT TERMS

Payment. For the rights granted and transferred hereunder and the services provided hereunder, SITNO shall pay for each individual study to PARTNER a total sum agreed in corresponding Purchase Order. The amount shall become due in instalments after receipt of an invoice from PARTNER in the amounts specified.

Payment Terms. The currency agreed upon is Euro. All invoices are issued in Euro currency. The terms of payment shall be 30 (thirty) days after the date of invoice. Payment shall be effected by bank transfer. PARTNER decides via which bank the payment shall tightly be carried out. All amounts mentioned above do not include Value Added Tax (VAT). The agreed payments will be payable on the base of invoices issued by PARTNER.

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7. CONFIDENTIALITY

Any Confidential Information will be treated as agreed between both parties in Confidentiality Agreement signed and executed between parties.

8. CONTRACT DATE AND DURATION

This Agreement shall be effective from the date, when it was signed by the last party by its duly authorized Persons ("Effective Date").

The term of this Agreement shall commence from the Effective Date of this Agreement and shall run for 10 (ten) years with a right to terminate this agreement by either party by giving 3 month's notice to other side.

Unless terminated by one Party, this Agreement shall automatically renew for further 24 (twenty-four) month periods ("Renewal Term").

Notwithstanding anything to the contrary herein, the Receiving Party's obligations to protect Confidential Information received during the Term shall continue for 5 (Five) years after expiration of this agreement period/termination.

9. MISCELLANEOUS

- 9.1 This Agreement may only be concluded amended, modified, altered or supplemented in writing, duly signed by authorized officers of PARTNER and SITNO.
- 9.2 This Agreement and the various rights and obligations arising hereunder shall inure to the benefit of and be binding upon PARTNER and SITNO and their respective legal representatives, successors, and authorized assignees, provided, however, that neither party to this Agreement shall assign this Agreement, directly or indirectly, or any part hereof without the prior written consent of the other party hereto.
- 9.3 Any clause, covenant or provision in this Agreement that is found invalid or unenforceable in whole or in part for any reason shall be deemed replaced by such valid and enforceable clause, covenant or provision whose contents are as close as permissible to those of the invalid or unenforceable clause, covenant or provision.
- 9.4 This Agreement shall be governed by and construed in accordance with the law of Slovak Republic and each party agrees to submit to the exclusive jurisdiction of the Slovakian courts, county court of Bratislava regarding any claim or matter arising under this Agreement.

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10. SIGNATURES

**The Centre of Experimental Medicine
of the Slovak Academy of Sciences**

Sitno Pharma, s.r.o.

