

TECHNICAL-SCIENTIFIC RESEARCH AND DEVELOPMENT CONTRACT
ENTERED BY AND BETWEEN SVEC ELETRONIC (SUZHOU) CO., LTD
AND FUNDAÇÃO DE APOIO À PESQUISA DE PÓS-GRADUANDOS –
FAPG, Nº. 001/2018



The parties hereof, **SVEC ELETRONIC (SUZHOU) CO., LTD**, headquartered at the following address Linhu Development Zone, Qidu Town, 215234, Wujiang City, China, entered in the National Register of Legal Entities under nº. 91320509750017231H, herein represented (by), pursuant to its Articles of Incorporation, hereinafter referred to as **SVEC**, and **FUNDAÇÃO DE APOIO À PESQUISA DE PÓS-GRADUANDOS**, a private, non-profit organization, headquartered at the following address: Rua Armando de Oliveira Cobra, no. 50, sala 409 - Ed. New Worker Tower, Jardim Aquarius, in the city of São José dos Campos/SP, CEP: 12246-002, entered in the National Register of Legal Entities (CNPJ) under no. 10.405.698/0001-89, registered as a Municipal Taxpayer under no. 168.270, hereinafter referred to as **FAPG**, have agreed to enter this Technical-Scientific Research and Development Contract, which shall come into force as per the following terms and conditions.

SVEC and **FAPG** shall be referred to individually as "Party" and collectively as "Parties".

1. OBJECT

1.1. The object hereof is the cooperation by and between **SVEC** and **FAPG**, to promote technical-scientific and educational development, aiming at the exchange of experiences, knowledge and process adjustments, object of prior approval by the Parties, hereinafter referred to as "**TESTS FOR TELEFONICA/VIVO NORM 75cm**".

1.2. Upon the project's completion, **FAPG** shall submit a report, comprising conclusions and recommendations, to **SVEC**.

2. DURATION AND TERMINATION

2.1. This Contract shall come into force when signed. It shall remain in force until the **January 30, 2018**. It may be terminated free of encumbrances or penalties to the Parties, provided one Party notifies the other, in writing, **30 (thirty) days in advance**.

2.2. If either party fails to comply with this Contract's terms and conditions, and if such non-compliance is not resolved in a satisfactory manner **within 5 (five) days**, as of the day on which the notice of non-compliance is delivered, as well as if the other party sustains any damage or loss, the party which has sustained damage or loss may terminate this Contract at once. The party that has inflicted damage or loss shall be liable to pay compensation, to the other party, for such damage or loss, pursuant to the applicable legislation.

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2.3. In the case of **unilateral termination**, if there is no failure to comply with any terms and conditions hereof, the Party that terminates the Contract shall be liable to pay compensation to the other Party, with regard to the costs and expenses already incurred and agreed upon, as may have been exclusively and clearly originated by such termination.

3. RESOURCES, PAYMENTS ADJUSTMENTS.

3.1. SVEC shall make available, in order to meet the requirements of this Contract, the **total amount of US 5.250,00 (five thousand two hundred and fifty dollars)** which shall be deposited in FAPG's bank account.

3.2. The Parties hereby agree that, if there is a delay in the payment of their fees, late fees shall be payable at the rate of **1% (one percent) a month**.

3.3. The bank account made available for payments is:

Bank: 001 – Banco do Brasil

Branch: 2513-5

Checking Account: 62.347-4

Swift code: BRASBRRJSBO

IBAN: BR 75000 000 000 2513 0000 623474 C1

Accountholder: Fundação de Apoio à Pesquisa de Pós-Graduandos – FAPG

4. FAPG's DUTIES

4.1. To employ and to make available, to the team of advisors and/or participating researchers, whether they are natural persons or legal entities, that participate directly or indirectly in the Project, whether as a function of employment, internship or academic work, including, without limitation, professors, researchers, scientists, students ("**FAPG SERVICE PROVIDERS**") the resources made available by SVEC exclusively for the completion of the project object hereof;

4.2. To carry out the activities with no discrimination, by employing its appointed advisors, in a diligent and effective manner, in accordance with the technical standards in force.

4.3. To make the project's team aware of the terms hereof, to make sure the team members do not disclose confidential documents and/or data they are entrusted with by SVEC, so that they can carry out the studies.

4.4. To outsource work, according to the following criteria: best price, best technique, and product/service quality, provided previous approval is granted by SVEC.

5. SVEC'S DUTIES

- 5.1. To pass on, to **FAPG**, the financial resources that may be required to develop the project object hereof.
- 5.2. To make available, to **FAPG**, all required information for the performance of the activities, and to provide access to its facilities as needed.
- 5.3. To appoint its Technical Manager, who, in conjunction with **FAPG**, shall coordinate and oversee the activities. He/she shall also be responsible for the tests to be carried out in the company's labs. He/she shall be responsible for the relevant technical reports. He/she shall participate in meetings to evaluate quality control.

6. INTELLECTUAL PROPERTY

- 6.1. All intellectual property rights held by each party and/or by third parties, but that are under its/their responsibility, since before this Contract is entered, whether or not they may be and/or are the object of registration with the Instituto Nacional de Propriedade Industrial [National Industrial Property Institute] (INPI) or any other agency, in Brazil or elsewhere, including, but not limited to, data, technical and business information, technology, microorganisms, software, procedures and routines ("Intellectual Property"), that are disclosed to the other party within the context of this Contract, shall still belong to the holder of the relevant Intellectual Property.

For avoidance of doubt, the Parties acknowledge and agree that the disclosure and sharing of information regarding the Intellectual Property of each party do not imply the transfer of title or the award of any right to exploit Intellectual Property by the other Party.

- 6.2. If there is the intent to use the other Party's Intellectual Property for any purpose other than that specified herein, the interested Party shall seek express consent, in writing, from the relevant holder of such Intellectual Property. The Parties, hereinafter, agree that the disclosure and the conditions applicable to the use of Intellectual Property of each Party by the other Party shall be the object of regulation amongst the Parties by entering specific Contracts.
- 6.3. The property of inventions, utility models, manufacturing drawings, or any technological developments that create or that may create the conditions for the appearance of a new product, process or improvement due to the completion herein presented, whether or not they may be protected as a function of intellectual property, including copyright, shall be held by the Parties, to the extent and in the manner.
- 6.4. In case the intellectual property rights are not specified, it is hereinafter set forth that such rights shall be held jointly by **SVEC** and by the Execution Team.



6.5. In all cases of licensing for the use of privilege-related innovations, arising from this Contract, for third parties that are not engaged in the intellectual creation of such innovations, **SVEC** and the Coordinator in Charge of the project shall be entitled to decide whether or not to approve such licensing. By the same token, their right to share the proceeds of the approved licenses shall be guaranteed.

6.6. Inventors or authors, whether they are **FAPG** or **SVEC** associates, individually or as a group, shall have their authorship acknowledged in the patents, manufacturing drawings, intellectual work and other Project Results, as applicable, whenever **SVEC** submits such innovations to INPI or to any relevant agency, in Brazil or abroad, as well as in any other situations in which such authorship acknowledgement is required, according to the applicable legislation.

6.7. **SVEC** shall award **FAPG** the full, irrevocable, unrestricted license, free of charge, for its own use, with regard to its part of the privilege-related results arising hereof.

The expression “for its own use” encompasses the ability to produce or to outsource the production of the Products for use in its own manufacturing and business endeavors.

6.8. Documents, reports and publications resulting hereof shall highlight the source of information. The parties may use them for their own benefit. Access to such documents, reports and publications shall not be provided to third parties, unless express consent is obtained from the Parties, taking into consideration item 7 hereof.

6.9. Each Party, as far as itself and its associates are concerned (**FAPG**, as far as its ASSOCIATES are concerned, and vice-versa) shall not infringe third parties’ rights, including intellectual property rights, whether or not they are protected by means of registration with the relevant agencies, throughout the Project’s development. Any infringement on the rights of third parties, by **FAPG** or its ASSOCIATES, which, in any manner, causes damage of any kind, shall entitle **SVEC** to claim, from **FAPG** or from **FAPG**’s ASSOCIATES, both individually or as a group, at its sole discretion, the relevant compensation, as per item 4 hereof.

7. CONFIDENTIALITY AND DISCLOSURE

7.1. The Parties, as well as their associates, hereby take it upon themselves to treat the information obtained in the context of the Project as confidential information. The disclosure to and sharing with third parties, of Intellectual Property held by each Party, as well as the Project’s Results, unless authorization in writing is granted by **FAPG** and **SVEC**, shall not be allowed. Such information shall be treated according to the legislation in force, including Law no. 9.279/96, Law no. 9.610/98, and Law no. 9.609/98.



7.2. Non-compliance with this item shall be grounds for termination of this Contract, and the payment, to the compliant party, of compensation for pain and suffering. Such liability shall remain in force after this instrument is no longer in force.

7.3. The non-disclosure provisions found in this item shall not apply when any information, in its entirety or in part, is included in the following circumstances:

- I. If the Participants are legally aware of such information, before this Contract is entered;
- II. If such information is considered to be in the public domain before or even after its disclosure, provided none of the Participants is responsible for this fact;
- III. If such information has been provided by a third party which has not entered a non-disclosure Contract;
- IV. Due to court and/or government order, regarding knowledge of such information, since the other Participant is notified immediately, before disclosure, and as long as secrecy is required when dealing with it from a legal and/or administrative point of view.

7.4. The Participants shall take it upon themselves to pass on, to their service providers and associates engaged in the object hereof, the non-disclosure obligations referred to in this instrument.

8. MARKETING

8.1. All results, methodologies and technical innovations, whether or not they are privilege-related, which have been obtained due to the performance of this Contract, shall be licensed for manufacturing and marketing by **SVEC and by the Coordinator in Charge** of the project.

9. DISCLOSURE

9.1. The Parties hereby agree to submit, in advance, in writing, for the other participant's approval, any information arising from the performance of the object hereof, to be, from time to time, disclosed, by means of reports, conferences, advertising and other means, provided the non-disclosure provisions herein mentioned are complied with.

10. PARTIES' INDEPENDENCE

The Parties hereby agree that this instrument does not comprise an association by and between the parties, and that it does not hinder the right that each one has to individually enter similar Contracts with third parties.

11. LIABILITY



11.1. No provision hereof shall be construed as grounds for any kind of employment or subordination ties between **SVEC** and **FAPG**, or with regard to third parties appointed by **FAPG** for the accomplishment of the activities inherent to FAPG in the context of this Contract.

11.2. Each Party shall be totally liable for the remuneration, labor-related, social security, tax, insurance-related expenses, indemnifications, and all other expenditures with regard to their own employees, subcontractors and other individuals that may provide services to the hiring Party, since such expenses are the liability of the Party to which the employees, subcontractors and service providers are originally associated with.

11.3. This Contract shall not establish, under any circumstances, any contractual or employment ties between a Party and the other Party's employees and/or subcontractors, since the latter shall continue to be hierarchically and functionally subordinated to the Party that originally hired them. The contracting party shall be totally responsible for the payment of reimbursements and salaries, labor-related and social security expenses, taxes and other relevant charges associated to each Party's employees and/or subcontractors.

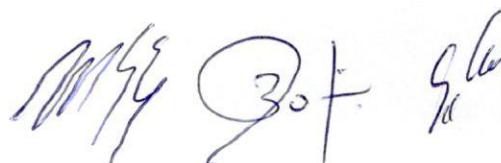
11.4. In case a labor-related claim is initiated by any Party's employee or subcontractor, that in any way may affect the other Party, the Party to which the employee is originally associated shall promptly and entirely, without limitation, take all responsibility, thus indemnifying the other Party, in a clear and express manner, of any liability or expenses.

12. MANAGEMENT

12.1. For any PROJECT, as hereby established, the Parties shall mutually agree to appoint a Manager who shall be in charge of the oversight, resolution and forwarding of technical, managerial and financial issues associated with the PROJECT, that may occur while this instrument remains in force.

12.2. The Manager's duties shall be as follows:

- I. To ensure the Parties do their duties. To ensure the physical-financial schedule is complied with and that the materials are properly used;
- II. To continuously monitor the Contract's performance actions, in order to ensure that the scheduled activities take place according to the PROJECTS' content specifications, evaluating it from time to time, and if required, proposing corrections to it; and
- III. Prepare a technical report, as requested, demonstrating the accomplishment of the Contract's object and the achievement of the milestones specified herein.



13. GENERAL

13.1. This Contract comprises all understanding between the Parties with regard to the object hereof. It shall prevail over any and all Contracts or covenants previously set forth on the issue. The amendment of its terms and conditions shall only take place by means of another Contract.

13.2. Whenever the need arises to replace a Manager as described in item 13.1, the Party that has appointed him/her shall issue a new appointment, which shall be approved in advance by the other Party, within 15 (fifteen) days, at the most, in writing.

13.3. The waiver or failure to enforce any clause hereof shall not imply novation, forgiveness, waiver, change or amendment of the Contract. The event or failure to enforce shall be considered, for all legal purposes, as a concession of the Party that waived, conceded or failed to enforce the compliance of the covenant. The parties hereby waive the right to claim such waiver, concession or failure to enforce a covenant in their benefit.

13.4. Neither Party shall be liable for any non-compliance or delay in the development of any activities or services herein set forth, resulting from unforeseen circumstances or force majeure, as established in the Sole Paragraph of Section no. 393 of the Brazilian Civil Code (Law no. 10.406/2002), or due to actions implemented by the Brazilian authorities.

13.5. If any provision hereof is considered null and void, illegal or unenforceable in any way, the latter shall be reviewed individually and shall not compromise the remaining provisions, as long as this shall not materially affect either Party with regard to the rights and duties specified in this Contract's provisions, covenants and terms in force.

14. FOURTEENTH CLAUSE – COURT OF JURISDICTION

14.1. The PARTIES hereby elect the São José dos Campos-SP Judicial District Court to resolve any issues originating from this Contract, instead of any other court, however privileged it may be.

In witness whereof, the parties sign this Contract in 2(two) identical copies.



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São José dos Campos, January 25, 2018.

On behalf of SVEC ELETRONIC (SUZHOU) CO., LTD

Ricardo Andres Garcia Barrera

ID number: 12.721.989-3

On behalf of FUNDAÇÃO DE APOIO À PESQUISA DE PÓS-GRADUANDOS – FAPG,

Eduardo Sakaue

CPF: 221.701.288-67

Fundação de Apoio à Pesquisa de Pós-Graduandos

Marcos da Silva de Souza

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Hudson Alberto Bode

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