



AGREEMENT FOR TIER 2 PARTICIPATION IN ADS TOULOUSE SAS (“The Agreement”)

Dated:

Between

And

ADS Toulouse SAS of Aeropole Batiment 5, 5 Avenue Albert Durand, 31700 Blagnac, France (“ADS Toulouse”)

WHEREAS

- A ADS Group Limited has established a wholly owned subsidiary, ADS Toulouse SAS, at or near Toulouse, Haute-Garonne, France, in order to increase the competitiveness of the UK Aerospace Industry within the Toulouse aerospace community (“ADS Toulouse”)
- B The Participant wishes to avail itself of the facilities of ADS Toulouse
- C Participation shall in all instances be governed by the terms and conditions set out in the two Appendixes to this Agreement, the Terms of Participation at Appendix 1 and the Code of Conduct at Appendix 2.

NOW THEREFORE IT IS AGREED that The Participant shall participate in ADS Toulouse as a Participant at the subscription rate below:

Tier 2 €15,300 (Fifteen Thousand, Three Hundred Euros) for the period 1st January to 31st December 2020 or monthly pro-rata as applicable if the Commencement Date is other than January 1st.

IN WITNESS WHEREOF the duly authorised representatives of the Parties

Signed for and behalf of the Participant

Signed for and on behalf of
ADS TOULOUSE SAS

.....

.....

Name.....

Name.....

Title.....

Title.....

Date.....

Date

Appendix 1 - TERMS AND CONDITIONS RELATING TO THE AGREEMENT FOR PARTICIPATION IN ADS TOULOUSE

1 Applicability

- 1.1 Throughout the period of its participation in ADS Toulouse, each Participant shall be bound by these Terms and Conditions and by such other conditions and procedures as ADS may require in connection with Participation.
- 1.2 The Participant shall in addition be bound by those instructions and decisions of ADS personnel which relate to the operations of ADS Toulouse.

2 Benefits of Participation

Throughout the period of its participation in ADS Toulouse, each Participant shall be entitled, subject to these Terms and Conditions:

- 2.1 to use such of the facilities of ADS Toulouse as defined herein and as may be advised from time to time in writing by ADS.
- 2.2 subject to the agreement of ADS, and at its own cost, to install other facilities at ADS Toulouse for its own benefit or for the benefit of all Participants.
- 2.3 subject to the eligibility criteria set out in the Code of Participation, be represented on ADS Toulouse Management Committee ("the Management Committee") to be established by ADS to control the operation of ADS Toulouse.

3 Obligations of Participants

- 3.1 Each Participant shall remain responsible for the conduct of its employees engaged in the activities of ADS Toulouse.
- 3.2 Each Participant shall be responsible for its own and its employees' compliance with all national and international laws, by-laws and other regulations of any sort in effect at the location of ADS Toulouse and whether relating to employment, taxation or otherwise – including a complete ban on smoking anywhere in the office building.
- 3.3 Each Participant agrees that it shall use the premises of ADS Toulouse only for the purposes defined in this agreement and shall not establish a legal presence at ADS Toulouse or register the address of ADS Toulouse for trading purposes.
- 3.4 Each Participant shall work in conjunction with the other Participants to maximise the benefits of Participation.
- 3.5 Each Participant will respect and safeguard the Intellectual Property of the other Participants.

4 President - Director

ADS shall appoint a "President", who is legally and financially responsible for ADS Toulouse and a "Director" who shall be its senior representative at ADS Toulouse. The Director will be responsible for the operation and management of ADS Toulouse. In addition he will provide advice and assistance to Participants.

5 Fees

- 5.1 Each Participant shall pay fees to ADS calculated on an annual basis as a share of the total forecast operating costs of ADS Toulouse. Each Tier 1 Participant shall pay two parts to every one part paid by Tier 2 Participants.
- 5.2 The forecast of operating costs for the first calendar year of operation shall be agreed mutually by the Management Committee and ADS London. The forecast for subsequent years shall be set by the Management Committee no later than 31st October of the previous year.
- 5.3 The forecast for each year shall include any surplus or deficit in recovery of the operating costs of the previous year and shall be applied to the number of

Participants who are members of ADS Toulouse on 31st October of the previous year.

- 5.4 Fees shall be due within thirty (30) days of ADS' invoices.
- 5.5 Any Participant joining ADS Toulouse during the course of a calendar year shall pay on joining a pro-rata proportion of the fee which it would be due to pay had it participated for the full year.

6 Protection of Confidential Information

- 6.1 Each Participant hereby agrees that, unless the prior written consent of the other party has been given, any confidential or other proprietary information including any information concerning the business or affairs of the other Party (the "Confidential Information") imparted to it by another Participant during the term of this Agreement:
 - (i) shall not be disclosed to any other person, organisation, firm or corporation,
 - (ii) shall only be disclosed to the receiving Participant's staff to whom it is essential to disclose the same for the purpose of performing that Party's obligations under this Agreement,
 - (iii) shall be used, duplicated and disclosed only for the purpose of the Agreement and shall not be reproduced or copied unless the disclosing Participant's proprietary legend or mark is prominently displayed on such reproduction or copy.
 - (iv) notwithstanding the above, shall be disclosed if specifically required by law.
 - (v) Shall respect the confidentiality of intelligence acquired or generated by member companies for the benefit of all Participants

PROVIDED HOWEVER that Confidential Information shall not include any information which

- (v) the receiving Participant can show is in, or comes into, the public domain otherwise than by a breach of this Agreement; or
 - (vi) the receiving Participant can show was already in its possession free of any such restriction prior to its receipt from the disclosing Participant; or
 - (vii) the receiving Participant can show has been lawfully received from a third party without being subject to confidentiality restrictions to and without breach of this Agreement.
- 6.2 The disclosing Participant does not grant to the receiving Participant any rights in or licence to use the Confidential Information other than that expressly granted for the purposes of ADS Toulouse.
 - 6.3 The provisions of this Clause shall survive any termination of this Agreement.

7 Indemnity and Insurance

- 7.1 ADS does not accept liability and will not be under any liability to any Participant, their employees, agents or representatives in respect of any direct or indirect damage, loss or injury to property or persons arising out of or in any way connected with its participation in ADS Toulouse, save that this exclusion shall not apply to any claim against ADS for death or personal injury.
- 7.2 Each Participant shall indemnify ADS from any loss, damage or expense that ADS shall suffer by reason of any breach by the Participant of any of the provisions of this Agreement or any act or omission on the part of the Participant, its employees, agents or representatives and in respect of all or any claims liabilities, judgements, losses, expenses, and costs as may be brought against or suffered by ADS in respect of any claim by any third party connected with or arising from any negligent act or omission on the part of the Participant, its employees, agents or representatives.
- 7.3 Each Participant shall maintain at his own expense insurance in respect of personal injury to or death of its employees and in respect of liabilities for claims and damages arising from or connected with any negligence on the part of the Participant or its employees, agents or representatives relating to their participation in ADS Toulouse.

8 Term and Termination

This Agreement shall be for an initial period from the Commencement Date to the end of that calendar year and shall be automatically extended each calendar year unless any of the following occur:

- 8.1 The Participant may, by giving three (3) months notice in writing to ADS, terminate or amend its participation in ADS Toulouse. At the expiry of such period of notice, the Participant shall cease to be entitled to the benefits of participation in ADS Toulouse shall pay all remaining fees due and shall remove forthwith all of its property and personnel from the premises of ADS Toulouse. Any property of the Participant remaining on the premises of ADS Toulouse after the expiry of the period of notice may be removed and disposed of by ADS at the expense of the Participant. The Participant shall not be entitled to any refund of fees for the year in which its participation is terminated.
- 8.2 In the event that ADS considers that the continued participation of any Participant is not in the best interests of ADS Toulouse, ADS shall be entitled to give that Participant thirty (30) days notice of its intention to terminate its Agreement and the reasons therefore. Unless the Participant can satisfy ADS that the reasons for the notice are unfounded or will be remedied by the Participant within the said period, its participation in ADS Toulouse shall terminate at the expiry of such notice. The Participant shall pay all remaining fees due and not be entitled to any refund of fees for the year in which its participation is terminated.
- 8.3 In the event that any Participant is in material breach of its Agreement, ADS shall be entitled to give that Participant fourteen (14) days notice of its intention to terminate its Agreement. On the expiry of such period of notice, the Participant shall cease to be entitled to the benefits of participation in ADS Toulouse and shall remove forthwith all of its property and personnel from the premises of ADS Toulouse. Any property of the Participant remaining on the premises of ADS Toulouse after the expiry of the period of notice may be removed and disposed of by ADS at the expense of the Participant. The Participant shall not be entitled to any refund of fees for the year in which its participation is terminated.
- 8.4 In the event that this Agreement is automatically terminated under the conditions set out in Clauses 8.2 or 8.3 of this Agreement, the Participant shall forthwith cease to be entitled to the benefits of participation. The Participant shall not be entitled to any refund of fees for the year in which its participation is terminated.

9 Dissolution

- 9.1 In the event that ADS considers that the objectives of ADS Toulouse are not being met, or that it no longer wishes to provide the facilities of ADS Toulouse, it may give all Participants three (3) months notice in writing of its intention to close ADS Toulouse. At the end of such period the Agreements with all Participants shall be deemed to be terminated and all Participants shall remove forthwith all of their property and personnel from the premises of ADS Toulouse. Any property of any Participant remaining on the premises of ADS Toulouse after the expiry of the period of notice may be removed and disposed of by ADS at the expense of the Participant.
- 9.2 Following dissolution of ADS Toulouse as provided above, ADS shall distribute any balance of funds remaining to the credit of ADS Toulouse to all Participants participating in ADS Toulouse at that time in the same proportion as their fees and shall be entitled to claim and be paid any shortfall in funding on the same basis.

10 Bankruptcy

This Agreement will automatically terminate in the event that either party becomes insolvent or has a receiver or administrator appointed to its business or is compulsorily wound up and both parties will be obliged to inform the other party in the event that they become insolvent or have a receiver or administrator appointed to their business or are compulsorily wound up. The Participant shall not be entitled to any refund of fees in the event of such termination

11 General

- 11.1 This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, supersedes all previous agreements and understandings between the parties with respect thereto, and may not be modified except by an instrument in writing signed by the duly authorised representatives of both of the parties.
- A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act
- 11.2 Nothing in the Agreement or these Terms and Conditions shall be construed as establishing ADS as an agent of the Participant.
- 11.3 Neither the Agreement or these Terms and Conditions shall be amended except by the written agreement between the parties thereto.
- 11.4 Clause headings are for convenience only and shall not govern the interpretation of these terms and conditions.
- 11.5 In the event that any term, condition or provision of the Agreement or these Terms and Conditions shall be nullified or made void by any statute, regulation or order or by the decision or order of any Court having jurisdiction, the remaining terms, conditions and provisions shall remain in full force and effect.
- 11.6 The Participant may not assign or sub-let its Agreement, in whole or in part, to any third party, without the prior written consent of ADS. The Agreement shall inure to and be binding upon the respective successors and assigns of the parties hereto and be construed and governed by the sole jurisdiction of the Laws of England.

APPENDIX 2 – ADS TOULOUSE CODE OF PARTICIPATION

1 Introduction

ADS Toulouse is a facility run by the company “ADS Toulouse SAS” located at Aeropole, Batiment 5, 5 Avenue Albert Durand, 31700 Blagnac, France.

The prime objective is to offer companies the opportunity to utilise a local office and expertise to increase their participation in Aerospace programmes that are based in the Toulouse, and surrounding area and to network with both suppliers and customers in that region.

ADS Toulouse is available to all Aerospace Companies having a UK Operation, subject to the approval of the Toulouse Management Board and ADS London who agree to participation at three levels, Tier 1 and Tier 2 Participants and Affiliate Participants.

Tier 1 Participants may use ADS Toulouse as a permanent facility for a member of their local staff to occupy at any time. The Tier 1 Participant will have exclusive access to an office within ADS Toulouse, as well as use of the attendant facilities and skills of the ADS Toulouse Director.

Tier 2 Participants will not benefit from the exclusive use of an office, however a working area will be available to Participants visiting staff. This may be occupied by more than one Tier 2 Participant at any one time. In all other respects the Tier 2 Participant will enjoy the same level of service as a Tier 1 Participant.

Affiliate Participants will not be entitled to the use of any office or working space, but will be entitled to attend 4 (four) networking events per year including the annual anniversary event and receive the monthly marketing report.

2 Participation Code

3.1 This code records the intention of Participants in ADS Toulouse, to adhere to the spirit and standards of this co-operative project and to support its objectives. It is not binding in law.

3.2 Participants will:

- (i) Work in the collaborative framework of ADS Toulouse in such a manner as to support and encourage the objectives of the collaboration as well as their own objectives.
- (ii) Share with other Participants in ADS Toulouse as much of the learning experiences, processes, tools and achievements generated within the project as is consistent with preserving their essential commercial interests.
- (iii) Engage in collaborative activities for the benefit of all Participants.
- (iv) Respect and safeguard the Intellectual Property of other Participants.
- (v) Remain responsible for the protection of their own legal and commercial interests.
- (vi) Not use ADS Toulouse as a legally registered base for any business or trading within France.
- (vii) Ensure that any competition with other ADS Toulouse members for business opportunities within the Toulouse Aerospace community, does not adversely affect the running of ADS Toulouse or the working relationships within it.

4 ADS Toulouse Management Board (TMB)

4.1 Objectives

- To ensure that ADS Toulouse is run in a fair and equitable manner for all Participants.
- To provide terms of reference for all permanent staff employed within ADS Toulouse but not working directly for the Participants.
- To set and monitor a budget for the operation of ADS Toulouse which is fair for all Participants.

- To ensure that the President and Director of ADS Toulouse operate within the budget and operational constraints.
- To set and approve the remuneration for ADS Toulouse employees.

4.2 Constitution

The TMB shall comprise:

- Chairman (a Tier 1 or Tier 2 Participant)
- Vice Chairman (a Tier 1 or Tier 2 Participant)
- ADS Toulouse President
- A total of up to four (4) Representatives of Tier 1 and/or Tier 2 Participants (excluding Chairman and Vice Chairman) proposed by any Member and endorsed by the TMB. The elected Representatives will serve for a term of two years and may propose themselves for re-election upon expiry of their term
- ADS Toulouse Director

4.3 Appointment of Chairman and Vice Chairman

The Chairman and the Vice Chairman shall be proposed by the TMB and Participants of ADS Toulouse. All members are invited to propose candidates including themselves but only Tier 1 and Tier 2 candidates are eligible to be elected to either role.

The Chairperson shall be elected from the list of proposed candidates by the TMB and shall hold office for a term of two years. The Chairperson may offer himself/herself for re-election upon expiry of their term.

No person may hold the office of Chairperson for more than two consecutive terms.

The Vice Chairperson shall be elected from the list of proposed candidates by the TMB and shall hold office for a term of two years. The Vice Chairperson may offer himself/herself for re-election upon expiry of their term.

The Chairperson and Vice Chairperson so appointed may be removed by the TMB if it is determined that they are not able or willing to carry out their roles in accord with the Objectives of the Bureau.

In the event of the Chairperson resigning, ceasing to be a participant of ADS Toulouse or being removed by the TMB, the TMB and Tier 1 and Tier 2 members of ADS Toulouse shall propose and elect his/her replacement. The Vice Chairperson will serve as Chairperson in the interim.

The Chairman and the Vice Chairman will be non-Executive but shall be expected to preside at meetings of the TMB and general meetings to ensure that the Code of Participation is being adhered to.

4.4 Meetings

A minimum of two Meetings will be convened per year. The Minimum quorum shall comprise the Chairman, the Vice Chairman a minimum of 2 of the Elected Representatives, the ADS President and the ADS Toulouse Director. Each member shall have one vote. Operating decisions will be approved by simple majority. The Chairperson shall have a second vote in the event of stalemate.

5 New Participants

The TMB may admit new Participants to the TBM at its discretion.