

Licence Agreement
concerning the right to hold and process products of BHMW

made by and between

the Treasury, the Ministry of Defence of the Republic of Poland
and

Seapilot AB
90 Vendevägen street
182 32 Danderyd, Sweden

AGREEMENT

made in Gdynia on 27.01.2015 between the Treasury, the Ministry of National Defence of the Republic of Poland, ul. Klonowa 1, 00-909 Warszawa, represented under the power of attorney given by the Minister of the National Defence by Andrzej KOWALSKI, Captain, Chief of the Hydrographic Office of the Polish Navy, and Seapilot AB ul. Vendevägen 90, 182 32 Danderyd, Sweden, hereinafter referred to as Company, represented by, President of the Management Board, hereinafter referred to individually as Party or jointly as Parties.

The following terms shall have the meanings given thereto below:

DEFINITIONS

BHMW/Office	Hydrographic Office of the Polish Navy (<i>Biuro Hydrograficzne Marynarki Wojennej</i>).
Company	Seapilot AB. This term shall include the contractors employed by the Company or its legal successors in the business activity; however, the term shall not include its subsidiaries or partners, unless included herein.
Official Products of BHMW	The cells of the Electronic Navigational Chart (ENC/S-57), Nautical Navigational Charts, and Nautical Publications protected with copyrights and produced by units of BHMW.
Derived Products	Products made by the Company by processing, among other, products of BHMW under the rights given hereunder for the purpose of their use (including sale) by the Company or its Distributors. The list of Derived Products of the Company in which BHMW products are used is enclosed in Schedule (B) hereto.
Rights of the Company	The copyrights to the BHMW products and the Derived Products received by the Company hereunder.
Sales	Selling and other methods of paid distribution. Related activities carried out under the sales agreement shall be conducted according to other methods of distribution.
Net Income	The income on sales of Derived Products to Distributors and/or End Users carried out by the Company after deducting any and all discounts granted to such Distributors and/or End Users, the costs of distribution and packing exclusive of VAT.
Customers, End Users, Users	All third parties whom the Company or its Distributor sell the Derived Products.
Distributors	Third parties that are not subsidiaries of the Company and that sell Derived Products on its behalf.
Processing	Any methods of creating Derived Products: indirect or direct, temporary or permanent, in the digital or analogue form.

Accounting Period	A period in which accounting documents are stored for making accounts by the Company.
Percentage of Data from BHMW	The percentage of data (information) expressed in per cent (%) coming from BHMW products that are included in the Derived Product of the Company. It is calculated as the percentage ratio of data coming from BHMW products to all data included in the Derived Product of the Company.

CONTRACTUAL PROVISIONS

1) DATA DELIVERY

BHMW undertakes to deliver at the Company's cost one copy of each of its products listed in Schedule (A), having received a written order.

BHMW undertakes to deliver to the Company as soon as possible the updates of products listed in Schedule (A) as soon as they become available.

All updates delivered to the Company by BHMW shall be free of charge.

The list of products listed in Schedule (A) may be modified (extended / limited) at any time under a written agreement between the Parties and with an immediate effect.

The Company shall inform of any changes in the Derived Products listed in Schedule (B) in writing.

The Company shall be also entitled to use any and all combinations of BHMW products that are useful for data processing.

2) RIGHTS AND OBLIGATIONS

BHMW grants a non-exclusive licence to the Company within the limits set forth herein for using the products listed in Schedule (A) for the purpose of their holding and using in the production of Derived Products pursuant to the rights set forth herein. The right to use such products by the Company shall not exclude or limit the right of BHMW and other entities to use, distribute, and sell BHMW products.

During the term hereof the Company shall:

- a) fulfil the obligations of the licensee with due diligence;
- b) fulfil any and all duties and requirements set forth herein and avoid any actions that do not comply with this Agreement;
- c) make and archive the detailed records concerning the transactions and any and all comments from the clients related to BHMW products and the products of the Company listed herein;
- d) inform BHMW immediately upon the end of every accounting year of any fees due to BHMW including the detailed calculation of all due amounts and send the relevant reports pursuant to this Agreement;
- e) provide BHMW with access to the data of the Company according to the provisions hereof;
- f) attribute names, numbers of maps, emblems, trademarks, and other marks owned by BHMW to the Derived Products exclusively with consent of BHMW in writing, otherwise than in any situations provided for herein;

- g) upon request of BHMW the Company shall deliver to BHMW free of charge a copy of every Derived Product where the products of BHMW have been used together with a copy of software used to display the same. Such activities are aimed exclusively at guaranteeing the compliance with the provisions hereof and not at guaranteeing the quality of Derived Products by BHMW in any form;
- h) inform BHMW of any defects and failures in BHMW products or in their updates detected during the term hereof; and
- i) maintain the constant and on-going contact with BHMW and provide reports on issues concerning this Agreement.

During the term hereof, BHMW shall:

- a) fulfil the duties of the licensor with due diligence; and
- b) fulfil all obligations and requirements and avoid any actions that do not conform to the obligations provided for herein.

3) VIRTUAL ACCESS

The Company shall not place or allow placing any Derived Products in computers that may be accessible to any third parties over the Internet. The following exceptions shall apply:

- a) The product is made available in order to deliver it to the Distributor or the End User and the Company has taken any and all possible steps to protect the product against access by any third parties and to hold the control and the potential to manage the number of copies of the product made available in this way independently and to make sure that the product is made available only to authorised persons;
- b) The Product is made available without any limitations to third parties; however, the Company has made all efforts to make sure that the Derived Product can be used by third parties only to become familiar with it (product exhibitions) for the period of up to 30 days from the date of the first installation;
- c) The Product is made available without any limitations to third parties exclusively taking account of the following limitations:
 - i. All graphic elements shall be transferred in the format of half-tone screens not oriented in terms of geographic ordinates and their size shall be maximum 12 square centimetres;
 - ii. Maximum one graphic element or text of the Derived Product shall be reproduced or made available at any time;
 - iii. If more than one graphic element of the Derived Product is reproduced or made available, the Company shall make all efforts to make sure that the elements cannot be copied or combined into a coherent whole in excess of the above-mentioned size.

Every element that is made available shall include the name BHMW together with information on its origin from the BHMW product.

4) INTELLECTUAL PROPERTY

The Parties confirm that their products are protected with copyrights. The Parties undertake to follow in this respect the rules of law and the provisions hereof.

Neither Party waives its rights resulting from the relevant provisions of copyrights or the right to make claims in court in case such rights are violated.

Neither Party intends to gain any extra rights in addition to the ones provided by copyrights hereunder.

Each Party undertakes not to disrupt the activity of the other Party hereto, provided its copyrights are not violated.

5) PAYMENT

In addition to costs mentioned in the first clause hereof, the Company shall make payments in accordance with the specification included in Schedule (C) hereto, which shall constitute an integral part hereof.

6) COPYRIGHTS

BHMW undertakes to notify the Company of the percentage share of BHMW in the data protected with copyrights and the owner of copyrights for each of its products listed in Schedule (A), provided another entity for whom copyrights have been reserved is involved in the production of a product in any percentage.

The Company undertakes to label the Derived Products with information that they constitute the processed form of the BHMW product, they are not replacement products for official products, unless the generally applicable rules of law provide for otherwise, as well as information on their validity. Such information shall be enclosed to the product according to Schedule (D). The Company undertakes to place such information according to Schedule (D) in any and all promotional or informative documentation concerning the product distributed by the Company or on its behalf.

7) SUBCONTRACTS

The Company shall have the right to use its rights to the products by commissioning the processing of products from another entity. The subcontracts that govern such commissions shall impose the following obligations on the subcontractors:

- a) All the subcontractors shall follow the obligations imposed on the Company hereunder.
- b) None of the subcontractors may gain the right to grant any sublicenses for the official products of BHMW or their derived products.
- c) No subcontractor may use the official products of BHMW or derived products for any purposes not covered by the licence.
- d) The Subcontractor shall not be authorised to commission the performance of the order or its part from any third parties.

The failure to include any of the above-mentioned conditions in the subcontract shall constitute a default on this Agreement and shall result in its immediate termination without a notice period; clause fifteen shall apply to the termination accordingly.

BHMW allows the storage of one copy of the Derived Product for the term of performing the subcontract made with the Company by every subcontractor.

If any of the subcontractors wants to exceed the above-mentioned limit, prior consent of BHMW shall be required.

8) ADVERTISEMENT

The Company shall not make any declarations that the Derived Products are recommended in any manner by the International Hydrographic Organization (IHO) or BHMW or that such organizations are liable for the Derived Product insofar as for the official product of BHMW.

9) WARRANTY AND SECURITY

BHMW warrants that it holds the right to grant the licence and the Company accepts all the risk resulting from the interpretation of content and use of the BHMW products.

The Company shall be liable for and insofar shall indemnify BHMW against the liability for any documented and proven damage as well as against the participation as a party in court proceedings that may be initiated against BHMW (including as a participant) due to:

- a) the breach hereof by the Company or its subcontractors,
- b) the illegal and/or improper use by any third parties of the official products or derived products delivered by the Company, except for any situations where the Company informs third parties of the limitations resulting from this Agreement and takes relevant steps to prevent such a use of products,
- c) any modifications of BHMW products during the production of the Derived Product that might cause the loss of or damage to BHMW products or their part,
- d) the use by the Company of a product(s) of BHMW for processing, if such product(s) has(have) been withdrawn from use officially.

The Company shall notify BHMW immediately of any defects or errors found in BHMW products during the term hereof.

BHMW shall be liable for and shall indemnify the Company in case:

- a) BHMW breaches any provisions hereof; or
- b) of the illegal and/or improper use of the product by a third party whom the product has been delivered by BHMW; or
- c) of an error in materials delivered by BHMW, for which BHMW is liable.

The clause given in this section shall remain in force after the expiration or termination hereof.

If any proceedings are initiated in court or administration authorities against either Party hereof or if such proceedings are imminent, the Parties shall immediately notify each other of the situation and shall decide jointly of any actions to be taken in this matter. The Parties shall work together to resolve any issues related to such proceedings.

10) FORCE MAJEURE

If any actions taken by the Party aimed at fulfilling the provisions hereof are prevented or delayed by a force majeure event, this Agreement shall be suspended until the cause of delay ceases. After the cause discontinues, all the obligations hereunder shall become effective again. However, if a delay is in excess of 6 months, either Party shall have the right to give a notice hereof in writing and the termination hereof shall comply with clause 16.

A force majeure event hereunder shall mean in particular: a strike, riots, sabotage, a war, a pirate attack, the destruction of necessary equipment by fire, storm, flooding or another act of god and delays caused by failures of the power system or the failures of transport systems.

11) ASSIGNMENT OF RIGHTS AND CHANGE OF DATA

The Company shall have no right to assign this Agreement or any of its parts (the disposal of rights) without prior consent of BHMW in writing.

The Company shall notify BHMW of any changes to the Company data (e.g. the change of the name of the Company or its address, the acquisition or merger of the enterprise) within ten business days of the introduction thereof, if such a change might affect this Agreement.

12) DISPUTE RESOLUTION

Before initiating any court proceedings, the Parties shall take steps in order to resolve any disputes concerning the application hereof amicably. Any disputes that cannot be resolved amicably shall be settled by the Polish common court competent for the registered office of the Ministry of National Defence.

Regardless of any disputes, the Parties shall continue to fulfil their obligations hereunder and the Agreement shall not be terminated before the settlement is reached or the procedure related to the dispute is completed (including the issue of a valid court ruling).

13) INTERPRETATION AND AMENDMENTS

This Agreement together with the Schedules A, B, C, and D shall constitute the whole agreement between the Company and the State Treasury, the Ministry of National Defence of the Republic of Poland. Any modifications of or amendments to this Agreement shall be in writing or shall be otherwise null and void. This Agreement has been made in Polish, which shall be a governing language in the interpretation of the provisions hereof. Any and all prior negotiations, contracts, and agreements concerning this Agreement are included in its provisions or are invalidated by the Agreement. The Agreement shall be governed exclusively by Polish law.

14) TERM AND TERMINATION

This Agreement shall come into effect when signed and shall be valid for an indefinite term. The termination hereof shall be within three (3) months of the date of receiving a notice or within any (other) time if agreed upon by the Parties hereto.

15) TERMINATION WITH AN IMMEDIATE EFFECT

If the provisions hereof are violated by either Party, resulting in the damage to the assets of the other Party, the Party that suffers damage shall be entitled to terminate hereof on the day of notice, if the damage is not completely remedied, at the latest 90 days of the day of disclosing thereof. The date of disclosure shall be the date of a receiving a notice by the party liable to repair the damage. The notice of the violation hereof and its effects as well as the termination hereof shall be with a registered letter.

If the Company is dissolved or liquidated (except for cases where the Company is liquidated for the purpose of its merger or transformation into another entity and the resulting entity agrees to be bound by this Agreement) or if the Company becomes partly or entirely managed by a liquidator, the State Treasury shall have the right to terminate hereof without a notice period and without violating the rights and obligations hereunder that may exist between the Parties hereto, taking into consideration the circumstances that are directly related to the termination hereof.

The termination hereof shall mean, unless BHMW decides otherwise, the termination of subcontracts whose performance would depend on providing access to BHMW products by BHMW.

If the Agreement expires or is terminated, the Company shall discontinue to use the BHMW products to make Derived Products as soon as is technically and organizationally feasible, however at the latest within 90 days, and shall destroy officially or commission the destruction of such BHMW products or the relevant part of Company products and their derived products that are not necessary and are held by the Company and its subcontractors.

BHMW products and their relevant Derived Products of the Company that are necessary for the Company may continue to be held by the Company exclusively for the purpose of providing the service for present clients, however for no longer than the warranty term.

If the Parties hereto take a decision that the Agreement does not have to be performed entirely in the future or if a similar decision is taken by a court or another authority holding jurisdiction over the Agreement, the Agreement may be terminated by the deadline indicated in clause 15 or by another deadline agreed upon by the Parties hereto. The Agreement shall be performed entirely after the notice period.

16) RIGHT TO TERMINATE THE AGREEMENT

Upon the expiration or termination hereof, the financial liabilities of the Parties shall become due and payable immediately, unless the Parties hereto decide otherwise.

The termination hereof shall not release the Parties from their duties hereunder, except for the ones that expire upon the termination hereof.

17) WAIVER OF RIGHTS DUE TO THE DEFAULT OF THE OTHER PARTY

The waiver by one Party of any liabilities under one part of the Agreement shall not mean the waiver of any rights due to other or consecutive instances of default. If either Party fails to fulfil or does not demand the effective fulfilment of a part hereof or does not use the right or possibility provided for herein at any time, it shall not mean the waiver by the Party of the right to use or perform any such rights in the future.

18) CONFIDENTIALITY

This Agreement shall be confidential unless the Parties hereto decide otherwise herein or in another agreed manner. Consequently, no information concerning the provisions hereof shall be given to any third parties, without explicit consent of both Parties hereto, except for any situations provided for in relevant rules of law or the following provisions hereof.

Schedule (C) and other contractually reserved information exchanged between the Parties, including sale reports prepared by the Company shall be confidential and access thereto shall be limited exclusively to such appointed personnel of the Parties on the as-needed basis as necessary for the performance of the provisions hereof.

Signatures:

On behalf of

On behalf of

[the Minister of National Defence of the Republic of Poland] [the Company]

Date 27.01.2015

Date 5 Feb 2015

S Z E F
BIURA HYDROGRAFICZNEGO
Marynarki Wojennej
kmdr mgr inż. Andrzej KOWALSKI

Anders Bergström
Anders Bergström

SCHEDULE (A): BHMW Products

The list of BHMW products that have been delivered to the Company hereunder.

Product code	Name	Format	Copyrights of BHMW [%]	Copyrights of any other entities [%]
7644PL1368974	Electronic Navigation Chart	ENC/5-5A	100%	

SCHEDULE (C): Fees, reports and terms of payment

FEES

During the term hereof, BHMW shall charge fees according to reports presented by the Company concerning the sales of Derived Products based on the percentage of data from BHMW products calculated by the Company for every Derived Product.

The percentage shall be subject to approval by BHMW. In order to confirm the calculation by the Company of the data percentage, BHMW may require the paid delivery to BHMW of a copy of Derived Products listed in Schedule (B) together with the software used to display the same.

The approval of the report on sales and the value of fees by BHMW shall mean the approval of the data percentage calculated by the Company.

The fees shall be charged for every sold copy or update of a Derived Product of the Company and shall be calculated according to the following formula:

$$R \times C \times P$$

where:

R = the copyright rate at 15%,

C = the net sale price of the Derived Product of the Company according to the specification given in Schedule (B),

P = the percentage of data coming from the BHMW products listed in Schedule (A) included in the Derived Product of the Company listed in Schedule (B).

REPORT

The Company shall submit to BHMW reports concerning the sales of Derived Products until 31 January and 30 June every calendar year.

The reports shall include the following information since the last accounting period:

- a) the number of sold Derived Products;
- b) the total net receipts for every Derived Product;
- c) a unit price (exclusive of VAT) for every Derived Product; and
- d) the percentage of BHMW data in every Derived Product.

PAYMENTS

Fees shall be charged on the profit on net sale of a Derived Product.

The Company shall calculate the fees based on the formula (R x C x P) and shall submit the reports on sales until 31 January and 30 June every calendar year.

After the receipt of a report concerning the sales of the Derived Products and royalties, BHMW shall send an invoice based on the volumes calculated in the report to the Company.

An invoice shall be paid by the Company in EUR with a transfer or a non-negotiable bank cheque issued to Komenda Portu Wojennego Gdynia (KPW) (Gdynia Navy Port Command) within thirty (30) days of the date of receiving an invoice.

The failure to make the above-mentioned payment by the set deadline shall constitute a breach hereof, unless both Parties agree otherwise or the default results from a dispute concerning the calculation of the BHMW data percentage and/or payment and a contractual penalty shall be charged therefor equal to 1% interest on the overdue amount for every day of arrears.

During the term hereof and for the following 5 years, the Company shall keep the complete financial documentation concerning all the information that may be necessary to prove amounts due to BHMW payable as royalties.

SCHEDULE (D): Copyrights clause, additional comments and information

A standard copyright clause shall be as follows:

'The product has been partly produced based on products and with consent of the hydrographic office(s) of state 1, state 2, etc. in the alphabetic order, including BHMW'.

If a derived product is used to support navigation, it shall include the following clause:

'NOTE. No hydrographic office has verified information included in this product and no hydrographic office shall be liable for the correctness of any reproductions or for any subsequent modifications. No hydrographic office warrants that the product fulfils the state or international regulations concerning the use of suitable products for navigation.'

If a derived product or any of its elements that comes from BHMW products is used to support navigation, the user shall always have direct access to the following information. The information shall be included in the derived product or its elements.

- the BHMW name as the unit that publishes materials used to create the derived product;
- a unique code of product used to produce the part of the derived product; and
- the validity date of the part of the derived product.

The method of placing information:

The complete clause on copyrights with comments shall be placed in a prominent place on derived products.

If there is not enough space for placing a complete clause or if the Company decides to combine the clause with information concerning copyrights of other entities, the clauses and comments may be shortened. The abbreviations may be made provided the complete content of the clause is available to the user and that the shortened clause includes at least the information on the permit received by BHMW.

If technically feasible, the Company shall make efforts to place the clause on copyrights and comments directly on the derived product. The failure to fulfil any of the conditions included in this schedule shall constitute a default on this Agreement.

This is certified translation from Polish. Consistency of the foregoing with the document presented, hereby confirmed with the signature and seal of office. Krzysztof Wierzba, sworn translator and interpreter of the English language, Reg. No. TP/3390/05.

Gdańsk, 13 January 2015
Translator's Records No. 31/2015