



**Memorandum of Understanding
(MoU)**

Between

SIDS DOCK

**The Small Island Developing States (SIDS) Sustainable Energy and Climate Resilience
Organisation**

And

Naval Energies

A company incorporated under the laws of France

**With a capital of EUR 219,300,000, incorporated with the Register of Trade and
Commerce of Paris under the number B 790 256 671**

On

***“Building Resilience To Climate Change In Islands Through The Energy Sector: North-
South Cooperation For Sustainable Energy Development In Island States”***

***“SIDS DOCK Heads Of State & Government Ocean Thermal Energy Conversion (OTEC)
Initiative 2023: Bring Dominique Home”***

19 September 2019



**MEMORANDUM OF UNDERSTANDING
BETWEEN**

THE SMALL ISLAND DEVELOPING STATES SUSTAINABLE ENERGY AND CLIMATE RESILIENCE ORGANISATION - SIDS DOCK, hosted by the Government of Belize, and located on the Second Floor, Lawrence Nichols Building, P. O. Box 563, Bliss Parade, Belmopan, Belize, and **NAVAL ENERGIES**, located at 40-42, rue du Docteur Finlay 75015 Paris cedex 15, (herein after referred to as the “Parties”);

PREAMBLE

CONSCIOUS of the urgent need to address energy security, energy access for productive uses and climate change mitigation and adaptation in Small Island Developing States simultaneously and in an integrated way;

RECALLING the outcome document entitled “The future we want” of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, in which the Conference recognized the importance of coordinated, balanced and integrated actions to address the development challenges faced by Small Island Developing States;

MINDFUL of targets of the Sustainable Energy For All Initiative (SE4ALL) and the SIDS DOCK objectives to improve energy efficiency by 25 percent (2005 baseline), to increase the renewable energy share in power generation to a minimum of 50 percent and to reduce fuel use in conventional transportation by 25 percent by 2033, as part of SIDS climate change adaptation;

RECALLING the United Nations General Assembly resolution A/RES/67/207 dated 5 March 2013, entitled “Follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme Action for the Sustainable Development of Small Island Developing States”;



WHEREAS SIDS DOCK was launched on 27 September 2015, as a United Nations (UN)-recognised international organisation with all the rights and privileges for addressing climate change, resilience, and energy security in Small Island Developing States, governed by an Assembly and Executive Council, and supported by a Secretariat, SIDS DOCK was initiated in December 2009, by the Alliance of Small Island States (AOSIS) through the two regional organizations with foremost responsibility for climate change adaptation and mitigation, the Caribbean Community Climate Change Centre (CCCCC/5Cs) based in Belize, and the Secretariat for the Pacific Regional Environmental Programme (SPREP), based in Samoa, to provide a SIDS-wide institutional coordination mechanism to facilitate the transformation of the energy sector;

WELCOMING the United Nations General Assembly resolution A/RES/69/15 dated 14 December 2014, entitled, “SIDS ACCELERATED MODALITIES OF ACTION [S.A.M.O.A.] Pathway,” the outcome document of the Third International Conference on Small Island Developing States, held from 1 to 6 September 2014, in Apia, Samoa, that reaffirmed that Small Island Developing States remain a special case for sustainable development in view of their unique and particular vulnerabilities and that they remain constrained in meeting their goals in all three dimensions of sustainable development, and recognised the opportunities created by the declaration of 2014 as “International Year of Small Island Developing States”;

RECOLLECTING the United Nations General Assembly resolution A/RES/70/1 dated 25 September 2015, entitled, “Transforming our world: the 2030 Agenda for Sustainable Development,” and the 17 Sustainable Development Goals (SDGs) and 169 targets which demonstrate the scale and ambition of this new universal Agenda, and in, “SDG 7 - Ensure access to affordable, reliable, sustainable and modern energy for all;”

ACKNOWLEDGING the achievements of NAVAL ENERGIES, a major actor in the field of marine renewable energies and a global leader in the area of ocean energy conversion, and whereas access to such expertise is deemed critical to the development of the commercial-scale deployment of ocean-based energy technologies that are appropriate to the demands in Small



Island Developing States (“SIDS”) for the development of a low carbon economy, with emphasis on generating sustainable blue-green gender-equity employment to replace those that will be lost due to the negative impacts of climate change;

RECOGNIZING that the major economic benefit of Ocean Thermal Energy Conversion (“OTEC”) technology is that this baseload technology is not dependent on fossil fuel price fluctuations or other international influences, thereby allowing full control on the pricing and volumes to be decided domestically. A major climate change adaptation characteristic of OTEC is the co-production of renewable cooling (known as SWAC, Sea Water Air Conditioning) potable water and improved food security;

KNOWING THAT NAVAL ENERGIES is a dedicated industrial player with the unique ability to provide Ocean Thermal Energy Conversion systems, sub-systems and by-products, such as SWAC and fresh water, and expertise and with the capacity to contribute to the development of alternative, renewable and environmentally-friendly energy, originating from the most powerful source that SIDS have stewardship over: the sea;

WHEREAS NAVAL ENERGIES is a world leader in marine renewable energies providing power generation systems, based especially on floating offshore wind turbines (“FOWT”) and Ocean Thermal Energy Conversion (OTEC);

WHEREAS NAVAL ENERGIES has in particular proprietary designs and offers customized solutions and provides made-to-measure projects that vary in size for projects based upon FOWT and OTEC;

WHEREAS NAVAL ENERGIES targets worldwide markets for plant generating electricity from Marine Renewable Technologies (MRE) and aims at supplying industrial services, engineering services, environmental studies services and equipment for MRE power plants;



EMPHASIZING THAT the 2023 OTEC Strategy is also in support of achieving the SIDS DOCK Goal of 25-50-25 by 2033: *Island Energy for Island Life*; the Sustainable Development Goals (SDGs), and in particular, *SDG 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development*, as well as the commitments under the United Nations Framework Convention on Climate Change (UNFCCC) Paris Agreement, which cites, “Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience...” as a priority for strengthening the global response to the threat of climate change;

WHEREAS, SIDS DOCK, representing a group of islands that together, have rights to govern ocean areas more than 15 times the size of the European Union land mass and represents their largest natural resource endowment, and who govern over and serve as the “Blue Guardians” of their Exclusive Economic Zones (EEZs) - vast ocean territories extending up to 200 nautical miles from their coastlines; and NAVAL ENERGIES, with unique expertise in designing and implementing industrial and commercial solutions to address the energy challenges of tomorrow, agree that it is mutually beneficial and useful to enter into a Memorandum of Understanding (MOU) to share information and best practices for the deployment of ocean energy technologies in islands, in order to achieve the most efficient and organized manner of introduction of these technologies, to maximize the prospects of successful operating facilities and promote the growth of the technology across islands nations;

CONSIDERING therefore that it is within the Parties’ common interest to enhance their cooperation;

NOW THEREFORE, desiring to establish a mutually-beneficial cooperation, the Parties have reached the following understanding:



Article I

Objectives of the Cooperation

1. The objective of this Memorandum of Understanding (hereinafter “MOU”) is to establish a framework for close cooperation between the Parties with a view to develop and deploy ocean energy technologies based on NAVAL ENERGIES solutions in a sustainable, effective and efficient manner in Small Island Developing States.

Article 2

Areas of Cooperation

1. The Parties will work together in good faith, through joint and concerted cooperation in accordance with the provisions of this MOU. The areas of cooperation are described below:
 - a. **Working Group:** Forthwith after execution of this MOU, the Parties will set up a working group (hereinafter “Working Group”) to discuss FOWT and OTEC power plants market opportunities. As and when necessary, each Party shall have the option of replacing one or more of its representatives in order to enable the Working Group to comply with its working schedule. As and when necessary, each Party shall place at the working group’s disposal its own experts in order to provide the assistance deemed necessary by the working group to achieve its task as hereinafter defined in Article 3. Each Party shall bear its own costs and expenses incurred through the performance of this MoU. Neither Party shall request from the other any payment, reimbursement or sharing with respect to such costs and expenses. The Working Group shall define its working procedure and schedule as well as the timing and location of its meetings.
 - b. **Establishment and Launch of an Ocean Energy Team of Experts:** The possibility of using ocean energy offers one of the most promising opportunities for development of a competitive sustainable energy sector in island states, and the establishment of an Ocean Energy Team of Experts is seen as a critically important mechanism that can help accomplish the mandate, as well as help island nations achieve the Sustainable



Development Goals (SDGs), and in particular, *SDG 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development*. The Team of Experts would represent parties interested and committed to the further development and deployment of the ocean energy systems and in particular OTEC, for vested interest, environmental justice and concerns for the future of SIDS population. The proposed Team of Experts would comprise and be led by island nation governments, and include development partners, multilateral development banks, technology companies, scientific and technology institutions, energy and climate organizations. The Team of Experts group shall define its working procedure and schedule as well as the timing and location of its meetings.

- c. Promote and Advocate for Ocean Energy Development and Deployment:** Ocean energy is the largest renewable energy resource common to all SIDS. Technological progress in Japan, and France and various other countries, driven by clean energy concerns, have seen increased levels in investment in ocean energy technologies. The Parties will work together to promote and advocate for the development and deployment of OTEC Technology in at least three selected SIDS Pilot Countries, by 2033, representing one in each region of the SIDS. Beginning with the 2005 SIDS technology fair in Mauritius, as part of the Second UN International Conference on Sustainable Development of Small Island Developing States, ocean energy technologies have been identified as a priority for SIDS.
- d. Resource Mobilization Strategy (human, financial, material, media and others):** Small islands are hemorrhaging precious foreign exchange, as each year they import over 220 million barrels of petroleum fuels which cost more than USD 40 billion, meanwhile, it would cost in excess of USD 20 billion to achieve the SIDS DOCK goals by 2033. Therefore, Resources must be available for each activity at the right time and the right quantity. Hallmark partnerships have proven to be one of the most enduring and defining mechanism that has yielded mutually beneficial results for SIDS and our Parties. SIDS DOCK uses two primary means for mobilising financial and technical resources in support of member governments, in two inter-related focal areas:



Sustainable Energy and Building Climate Resilience. Partnerships with research organizations, academia, private sector and consultants represent the primary means through which the Parties can provide technical and other assistance to member countries to develop national resource mobilization strategies to identify potential funding sources.

e. Development & Establishment of a Small Island Ocean Energy Feasibility Facility:

If ocean energy technologies are to make a significant contribution to the low carbon economy of the future in small islands and play a major role in Climate Change adaptation it is essential that financial resources be available to convert reasonably sound “pre-feasibility analyses” into detailed feasibility studies and viable business plans. The Parties will advocate for donors and stakeholders in the objective to establish a USD 30 million (principal amount) “Facility” to provide “Soft Loans” to SIDS DOCK Members. The Facility would have a lifetime period of 12 years, with loans reimbursed to the Facility upon Financing of a Project’s first stage, then converted to a grant upon formal abandonment of the project. The proposed transaction size (assuming a 7% annual percentage rate) for scoping and applications loans is USD 50,000 and between USD 1.5-3 million for feasibility studies and business plan loans. For the avoidance of doubt, neither SIDS DOCK nor NAVAL ENERGIES shall provide funding for such Facility.

f. Reduce SIDS Greenhouse Gas (GHG) Emissions: The multiple activities in pursuit of attaining the objectives contained in the SIDS DOCK Statute, are intended to contribute to the reduction of greenhouse gas (GHG). Small Island Developing States contribute the least to climate change, yet, are feeling the greatest impact of its consequences. Their climate is influenced by large ocean-atmosphere interactions such as trade winds, El Niño, monsoons and tropical cyclones. With populations, agricultural lands and infrastructures tending to be concentrated in the coastal zone, any rise in sea level will have significant and profound effects on settlements, living conditions and island economies. These climate characteristics, combined with their particular socio-economic situations make SIDS, among which are 9 LDCs, some of the most vulnerable countries in the world to climate change. In addition, the fact that SIDS have a combined population of around 65 million



people contributing to less than 1 percent of global GHG emissions, means that they will suffer disproportionately from the damaging impacts of climate change and that some may become uninhabitable. OTEC potential to provide both electrical energy and liquid fuel (Ammonia) provide low carbon options for the transportation sector in SIDS. Combination of power and transportation fuel production would mean the that SIDS could quickly have in place options to replace more the 70 percent of imported petroleum using Ocean Energy Technologies.

Article 3

Programme Implementation

1. Eight (8) countries are developing a work programme for OTEC: Japan, China, Korea, India, France, The Netherlands, Singapore and Monaco. Fourteen (14) SIDS have been waiting on next steps in the execution of pre-feasibility studies conducted by the Japanese SIDS DOCK partners: Antigua & Barbuda, Barbados, Bahamas (Commonwealth of the), Belize, Dominican Republic, Grenada, Fiji (Republic of), Jamaica, Maldives (Republic of), Marshall Islands (Republic of), Mauritius (Republic of), Samoa (Independent State of), the Seychelles (Republic of), and St. Lucia.
2. The major bottleneck to the deployment of OTEC systems has been the high capital costs, which overshadow operational characteristics of low maintenance, high availability, multiple products streams to generate revenue, and, which at commercial scale has the objective to be competitive and reach grid-parity thanks to learning curve decrease, and employment generation potential.
3. Specific projects will be envisaged. The Working Group shall elaborate and submit to the Parties a proposal (hereinafter referred to as the “Proposal”) for each opportunity identified, which shall establish the conditions of the intended cooperation between the Parties to be laid down in and pursued under a subsequent agreement, should such Proposal meet the Parties' requirements.



The Proposal shall define and be specific on the following matters:

- scope of the cooperation;
- technical concepts including worksharing;
- time schedule;
- exchange, transfer and use of proprietary and confidential information and data, technical and commercial;
- draft of the basic terms and conditions of a subsequent agreement.

As a first opportunity to be explored in common, the Parties wish to study possible cooperation for the engineering, construction, installation and operation of an OTEC&SWAC power plant in Granada to be developed in the coming months.

4. The Memorandum does not confer any rights of exclusivity to any Party. In addition, each Party may collaborate on similar activities with any other third parties.

Article 4

Financial Arrangements

1. The implementation of activities envisaged under this Memorandum will depend on the availability of the necessary financial resources and will be made in accordance with the regulations, rules, instructions, directives and procedures in force for each of the respective Parties.
2. The availability of financial resources and funding outside of the Parties will be necessary to perform detailed project documents. The documents will be developed by the Parties for each project in close coordination with national Governments, regional organizations, development and other Parties. The project documents will include, *inter alia*, the design, installation and commissioning of Ocean Energy Systems; development of ocean energy and renewable energy and climate resilience project concepts and proposals, as well as their required financial resources.



3. The Parties agree on the following basic financial arrangements:
 - a. Each Party will be responsible for their individual cost unless covered by an agreed service agreement.
 - b. The Parties will closely cooperate in the mobilization of donor support for further development and deployment of ocean energy systems in SIDS.

Article 5

Implementation of the MoU and Cooperation

1. Subject to Article 4, above, the Parties' cooperation will be based on the following administrative and institutional arrangements:
 - a. SIDS DOCK and NAVAL ENERGIES, working with national Governments, will select countries with the best resources to participate in defined OTEC project development tasks; the Parties agree to work on the basis of the agreed-on countries. As defined in Article 2, the Parties will provide key technical assistance to national Governments, through the Team of Experts and the Working Group.
 - b. The SIDS DOCK Secretariat will Provide administrative support to the Chair and the work of the Ocean Energy Consortium and Team of Experts; Liaise with members for input and implementation of the Committee's work as required; Inform the Chair and Committee of issues which are relevant to the Committee's mandate; provide communication assistance; review reports and presentations, among other support necessary to execute the national projects.
 - c. As per defined in Article 2, NAVAL ENERGIES will provide technical support and advice to SIDS DOCK and the national Governments in the areas of renewable and



decarbonised electricity production systems and sub-systems based on two different sources of marine energy - floating offshore wind and the thermal potential of tropical seas (OTEC). Expertise and transversal products are also developed around these technologies - technological building blocks, MRE site surveys - which NAVAL ENERGIES is developing in cooperation with its partners, to focus efforts on the areas where innovation capacity and environmental protection make the greatest difference.

- d. In this context, the Parties will closely cooperate with regional organizations and the small island countries. The Parties will share lessons learned from each country selected for implementation.

Article 6

Intellectual Property Rights

1. Each Party shall remain the sole owner of all industrial or intellectual property rights, technical data, know-how, designs, specifications and the like generated or acquired before the signature or beyond the scope of this MOU.
2. All industrial and intellectual property rights originated within the scope of this MOU shall vest in the originating Party.

Article 7

Information

1. SIDS DOCK and NAVAL ENERGIES will promptly inform each other of any event or situation which might affect the implementation of the activities and which may necessitate a modification or alteration of the scope of implementation or other aspects of this Memorandum of Understanding.



2. Each Party to this MOU will treat all information exchanged between Parties as privileged and which can be shared only upon previous agreement of the other Party. SIDS DOCK and NAVAL ENERGIES shall comply with the confidentiality provisions which are attached in Annex 1.

Article 8

Monitoring and Evaluation

1. SIDS DOCK and NAVAL ENERGIES will agree on annual work plans and prepare annual progress reports.

Article 9

Settlement of Disputes – Applicable Law

1. In the event of a dispute, controversy or claim arising out of or relating to this Memorandum of Understanding, or the breach, termination or invalidity thereof (a “dispute”), the Parties will use their best efforts to settle promptly such dispute through direct negotiation within sixty (60) days from the date either Party has notified the other Party of the nature of the dispute and of the measures that should be taken to rectify. Each Party will give full and sympathetic consideration to any proposal advanced by the other to settle amicably any matter for which no provision has been made or any controversy as to the interpretation or application of this MOU.
2. In the event that such resolution proves impossible within the above mentioned period of sixty (60) days, the dispute shall thereafter be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules of Arbitration. The arbitration shall be held in Geneva (Switzerland). Proceedings shall be held in the English language. Notwithstanding the foregoing, either Party may immediately seek injunctive relief in any court of competent jurisdiction.



3. Each Party agrees to bear their own costs associated with arbitration proceeding.
4. This MOU shall be binding upon the Parties, their successors and assigns, and shall be governed and construed by the laws of Switzerland without giving effect to such law's provisions regarding conflict of laws.

Article 10

Termination

1. Each Party has the right to terminate the Memorandum of Understanding by giving six (6) months' notice in writing to the other Party at any time. If the Memorandum of Understanding is terminated by any Party, steps shall be taken to ensure that the termination does not affect any prior obligation, project or activity already in progress. The termination shall bring to amicable conclusion of the activities. The end or termination of this Memorandum of Understanding shall not relieve the Recipient (as per Annex 1 "Confidentiality provisions") of complying with the obligations imposed by Article 9 of Annex 1 with respect to the use and protection of the Proprietary Information received prior to the date of the termination or end of this Memorandum of Understanding. Such obligations shall continue for the period applicable as set forth in said Annex 1.

Article 11

Entire Understanding and Modifications

1. The Memorandum of Understanding (including its 12 Articles and the Annex 1 attached hereto) constitutes the full and complete understanding and agreement between the Parties in relation to the subject matter hereof and supersedes all prior agreements and understandings between the Parties with respect to or in connection with any of the matters to which such MOU applies or refers.
2. The Memorandum of Understanding may be modified or amended by formal consent of



SIDS DOCK and NAVAL ENERGIES, by the issuance of a written modification, signed and dated by SIDS DOCK and NAVAL ENERGIES, prior to any changes becoming effective.

Article 12

Miscellaneous

1. No change, alteration, modification or addition to this MOU shall be valid unless in writing and properly executed as an amendment by the Parties hereto.
2. This MOU shall in no way be regarded as a corporation or a partnership or other legal entity of any kind whatsoever, the “affectio societatis” being expressly excluded herein.
3. The failure of either Party at any time to enforce any of the provisions of this MOU shall not be construed as a waiver by such Party of any such provisions nor in any way affect the validity of this MOU, in whole or in part.
4. The Parties acknowledge and agree that any breach of any obligation pursuant to this MOU shall be considered as harmful to the non-violating Party, which may not be fully or adequately remedied by damages. If such a breach occurs, or is likely to occur, the violating Party shall be entitled to prevent or remedy such breach (ie. by way of an injunctive relief or other specific equitable relief), without prejudice to its right to claim damages.
5. In any case, the liability of NAVAL ENERGIES or SIDS DOCK shall be limited to direct actual damages only. Accordingly, NAVAL ENERGIES or SIDS DOCK shall not be liable for any consequential, incidental, special, punitive, exemplary or indirect damages or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise.
6. Nothing in this MOU may be construed as binding or otherwise compelling either Party to enter into a subsequent agreement.



7. If any term, provision, covenant or condition of this MOU is held invalid or unenforceable for any reason, the remaining provisions of this MOU shall continue in full force and effect as if this MOU had been executed with the invalid or unenforceable portion eliminated, provided the effectiveness of the remaining portions of this MOU will not defeat the overall intent of the Parties. In such a situation, the Parties agree, to the extent legal and possible, to incorporate a replacement provision to accomplish the originally intended effect.
8. Each Party in the performance of this MOU undertakes to comply with all applicable Anti-Bribery standards, laws and regulations resulting from the United Nations Convention Against Corruption (UNCAC) as well as the OECD Convention on Combating Bribery of Foreign Public Officials in International business transactions. Therefore, each Party undertake that no person from their company will, intentionally, directly or indirectly, offer, promise or give an undue pecuniary or other advantage to or for a Public Official or a Private Agent, in order that such person act or refrain from acting in relation to the performance of official duties in order to obtain or retain business or other improper advantage for the conduct of international business.

Article 13

Entry Into Effect

1. The Memorandum of Understanding takes effect from the date of signature by both Parties and, if signed on different dates, on the date of last signature.
2. The Memorandum will remain effective, unless terminated in accordance with Article 10 hereof.



IN WITNESS WHEREOF the undersigned, duly appointed representatives of SIDS DOCK and NAVAL ENERGIES, have on behalf of the Parties, signed the present Memorandum of Understanding in English, in duplicate, during the fourth Assembly of SIDS DOCK, held on the margins of the 73rd UN General Assembly, at the United Nations Headquarters, in New York, USA, on [•].

FOR SIDS DOCK - THE SMALL ISLAND DEVELOPING STATES SUSTAINABLE ENERGY AND CLIMATE RESILIENCE ORGANISATION

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His Excellency Ronald Jean Jumeau
Ambassador Extraordinary and Plenipotentiary and
Permanent Representative of the Republic of Seychelles to the United Nations and United States of America
Chair, Executive Council of SIDS DOCK

.....

Laurent Schneider-Maunoury
President
NAVAL ENERGIES



ANNEX 1

CONFIDENTIALITY PROVISIONS

1. "Confidential Information" shall mean all and any commercial, financial, technical, operational or other information designated by Naval as confidential appertaining in any way to the subject matter of this MoU (including, but not limited to, all data, know-how, calculations, designs, drawings, methods, processes, systems, explanations, demonstrations and the existence of the MoU) as have been or may be disclosed or granted access otherwise made available (any such disclosure, availability or granting of access being referred to in this Annex as "disclosure") by one party ("Discloser") to the other ("Recipient"), but shall exclude any such information which:

- a) prior to disclosure was in the possession of the Recipient, as properly evidenced by the written records of the Recipient, and which the Recipient was entitled to use; or
- b) at the time of disclosure is in the public domain other than by reason of a breach of duty of the MoU; or
- c) after disclosure becomes generally available to third parties by publication or otherwise, other than by reason of a breach of duty or of the MoU,
- d) has been approved for release and by written authorization of the Discloser.

2. Any disclosure of Information shall be solely for the purposes detailed in the MoU and the Recipient shall not use nor permit nor cause others to use Information for any other purpose without the prior written consent of the Discloser.

3. The Recipient undertakes:



- a) to treat all Information as strictly confidential and not to disclose any part of it to any third party (save as necessary to the Recipient's employees, officers for the purposes detailed in the MoU) unless the prior written consent of the Discloser has been obtained in relation to such disclosure.

- b) not to disclose such Information to any other persons within the Recipient's organization other than those having a need-to-know;

- c) neither to disclose nor cause to be disclosed such Information whether directly or indirectly to any third party or persons other than those mentioned in subparagraphs (a) and (b) above;

- d) not to use such Information in whole or in part for any purpose other than the MoU without the prior written consent of the Discloser;

- e) subject to clause 5 of this Annex, not to copy or reduce Information to writing except as may be strictly necessary for the purposes of the MoU.

4. Save only to the extent that the Recipient or any third party has pre-existing rights in any Information, it shall remain the absolute property of the Discloser and all documents, tapes, discs, films, photographs, models and other media embodying Information shall be returned to the Discloser by the Recipient on demand together with all copies of it, and at the latest thirty (30) days after the termination of this MoU.

5. The Recipient shall not make any copies of or duplicate in any way in whole or in part any Information without the prior written agreement of the Discloser and where such copies or reproductions are permitted in accordance with this clause the Recipient shall treat them strictly in accordance with the provisions of this Annex and comply with the instructions of the Discloser with regard to the protection and disposal of them. The Recipient shall either destroy or return (at the option of the Discloser) the originals and all copies to the Discloser promptly upon the request of the Discloser, and at the latest thirty (30) days after the termination of this MoU. Notwithstanding the foregoing, the Recipient shall not be obligated to erase or destroy Information that is contained in an archived computer system or back up system or required to be retained in accordance with its internal document retention policies.



6. The Recipient shall provide proper and secure storage for all documents, materials and things comprising or embodying Information whilst in its custody or under its control and shall ensure that all necessary and proper security precautions are taken to safeguard Information and to restrict access to it.

7. The Recipient shall ensure that any employee, officer to whom Information has been disclosed by, or otherwise as a result of disclosure to, the Recipient shall maintain the confidential nature of the Information as if such employee and/or officer had entered into an agreement with the Discloser in respect of it on the same terms mutatis mutandis as the terms contained in this Annex.

8. Nothing in this Annex shall be construed or interpreted as obliging either party to furnish any Information to the other or to furnish Information neither in any form nor as granting to the Recipient any right or under or in relation to any Information.

9. The obligations contained in this Annex shall continue in full force and effect for the duration of this MoU and for five (5) years from the time of termination of the MoU notwithstanding that all or part of the documents, materials or other things embodying Information shall have been returned to the Discloser or that the purpose for which Information was disclosed has been abandoned, completed or has otherwise lapsed or ceased to apply.