

## Letter of Intent: Evaluation Period with the purpose of a Product Distribution Agreement

- 1) **Parties:** LLC "TC "BOUREVESTNIK" and any of its affiliates or subsidiaries are hereby called the "Distributor", and Andrew Alliance is hereby called the "Manufacturer".
- 2) **The Product:** the product involved in this agreement is the Andrew™ system, as defined on the Andrew Alliance website [www.andrewalliance.com](http://www.andrewalliance.com). The Andrew system includes one Andrew unit and a basic Domino configuration of 6 dominos, ready to be operated with the exception of the control PC and of the Gilson pipettes to be provided separately.
- 3) **Purpose:** The Distributor and the Manufacturer wish to enter into an Evaluation Period comprising the Sales of the Manufacturer's Product by the Distributor into a defined Geographical Scope in exchange of a Margin, with the purpose of define and enter into a possible Product Distribution Agreement.
- 4) **Geographical Scope:** the geographical area here defined for the Sales activity is the Russian Federation. Final end users should be localized within the borders of the above mentioned geographical region(s), and the Product should be shipped to a final destination within the same boundaries.
- 5) **Evaluation Period:** The evaluation period starts from the date of the last signature of the present Letter of Intent, and extends up to the moment where either one of the parties, the Distributor or the Manufacturer, asks for its termination to the other party in writing (email is a possible method) or a Product Distribution Agreement is put in place. The Termination has immediate effect, with exception of the Confidentiality obligations, possible duties related to Margins already due before the Termination and in relation with the Demonstration units buy-back.
- 6) **Sales:** by Sales we intend the commercial activity carried by the Distributor with the purpose of selling the Product to end-users, by means of seminars, customer visits, contacts, emails, marketing activity, trade shows, events, demonstrations or similar, all occurring within the Geographical Scope. Local support from the Manufacturer for the execution of individual Sales is not guaranteed, and could be provided on a case by case basis according to Manufacturer's availability.
- 7) **Transfer Price:** The Parties agree that the Suggested Retail Price of the Product described above is 19'990€ and the Transfer Price to be 15'377€ (from the Manufacturer to the Distributor). The pricing of additional accessories and components, including the Transfer price, will be defined in the course of the Evaluation Period.
- 8) **Demonstration unit:** the Distributor engages in purchasing at least one Demonstration unit. Each demonstration unit should be purchased at the Manufacturer's Transfer Price, and it is understood that these units become property of the Distributor. The Manufacturer engages in purchasing back the Demonstration units in case the evaluation period is interrupted, under explicit request of buy-back from the Distributor, for the same Transfer Price. In case a Demonstration unit would be damaged by improper use or packaging, the Manufacturer is not obliged in buying back the Demonstration unit. The Manufacturer will make its best effort for providing additional Demonstration units and marketing material for Trade-shows and Conferences in the Geographical Scope at its own expenses.
- 9) **Exclusivity:** The evaluation period is intended for exclusive distribution. In other words, other Distributors could not be engaged by the Manufacturer for the same Geographical Scope during the Evaluation Period - including direct Sales activity from the Manufacturer. It is further clarified that entering into the Evaluation Period cannot encumber or represent privileged rights against possible exclusivity and Product Distribution Agreements after the Evaluation Period termination.





- 10) **Product Distribution Agreement:** objective of the Evaluation Period is a good faith assessment of the details, feasibility and structure of a Product distribution Agreement. Declared objectives of the Manufacturer consist in assigning a distribution agreement to the Distributor for the Geographical Scope in discussion, to address academic and industrial users in the field of life sciences. The duration of the Distribution Agreement should ideally last up to 1<sup>st</sup> Jan 2016, through a year-by-year renewable period subject to yearly sales minima (without purchase commitment) jointly defined. However, this agreement doesn't constitute any obligation for either party in entering into a Product Distribution Agreement, and the Product Distribution Agreement details will be clarified during the Evaluation Period.
- 11) **Confidentiality:** Each party agrees to keep, and to cause its employees, agents and contractors to keep, any information that is disclosed to it hereunder by the other party, and which is designated in writing as confidential or which is or should in good faith be known by the other party to be confidential ("Confidential Information"), confidential, and to use such information only for the purposes described herein. Each party shall take, and shall cause its employees, agents and contractors to take, all reasonable steps necessary to safeguard the confidentiality of information received in the execution of the Evaluation Period from and against disclosures thereof. Neither party shall make, nor permit anyone to make, any copies of such information without the other party's prior written consent, and the other party shall return, and shall cause its employees to return, all copies of such information in its possession to the other party upon request therefor or upon any termination or cancellation of this Agreement. Nothing contained in this Agreement shall be construed as granting or conferring any rights on either party, by license or otherwise, with respect to any of such information. Each party's obligations under this paragraph shall survive indefinitely the termination of this Agreement or until such information is made public other than through the acts of either party. The obligations of this Section 11 shall not apply to information that either party can demonstrate (a) is or has become readily available without restriction through no fault of that party or its employees or agents; (b) is received without restriction from a third party lawfully in possession of such information and lawfully empowered to disclose such information, (c) was rightfully in the possession of either party without restriction prior to its disclosure by the other party; or (d) was independently developed by employees or consultants of either party without access to Confidential Information of the other party.
- 12) **Jurisdiction:** this Agreement shall be governed by the laws of Switzerland, and the place of jurisdiction shall be Geneva.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed starting from the date of the last signature below, if achieved before 1<sup>st</sup>, March 2014.

The Distributor: LLC "TC "BOUREVESTNIK"

The Manufacturer Andrew Alliance S.A.

By: \_\_\_\_\_

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Name/Title: P. ZUCCHELLI, CEO

Date: \_\_\_\_\_

Date: 05 Feb. 2014