

MEMORANDUM OF UNDERSTANDING

between

Haiyang Municipal People's Government

and

**Blue Italian Growth
Technology Cluster**

THIS MEMORANDUM OF UNDERSTANDING ("MoU") IS ENTERED BETWEEN:

Blue Italian Growth Technology Cluster (BIG TC), an Italian association legally recognized by Prefettura di Napoli having its office at Stazione Zoologica Anton Dohrn, Villa Comunale, 80121 Napoli, Italy, duly represented by Roberto Cimino acting as Chairman, hereafter referred to as "BIG-TC",

AND

Haiyang Municipal People's Government (Haiyang) is located in 196 Haibin Middle Road, Haiyang City, Shandong Province. It is a county-level municipal government under the jurisdiction of Shandong Province, hereafter referred to as "Haiyang",

BIG TC and Haiyang Municipal People's Government are individually referred hereinafter to as a "Party" and collectively referred to as the "Parties".

WHEREAS

BIG TC is a legally recognised Italian Association, gathering Research Entities, Companies, Regional Technological Districts and other Stakeholders operating in the fields of industrial research, human resources training and technology transfer related to the domain of Marine Economy;

BIG-TC mission is to act as a national instrument of coordination and consultation in the domain of Marine Economy in order to accelerate the processes of innovation and enhance the industrial competitiveness of Italy in the aforementioned domain,

Haiyang City is a county-level city under the jurisdiction of Shandong Province, which is managed by Yantai City. It is one of the first coastal open cities determined by the State Council. Shandong Haiyang Nuclear Power Station and Shandong Nuclear Power Equipment Manufacturing Industrial Park have been constructed, and an industrial system has been formed which integrates research and development, equipment manufacturing, operation and maintenance, testing and evaluation of nuclear power. Haiyang Port, one of the first open ports in the country, has built a marine industrial base focusing on the manufacture of marine equipment, new energy equipment and marine engineering, and has built a number of key marine equipment, including the large-scale heavy vehicle "Blue Whale No.1". Through the industrial innovation mode of "intelligent manufacturing of large industries + new energy vehicle industry + Internet + industrial big data", the new energy automotive industry innovation park was built. With the largest sweater industry base in the North of China, the sweater knitting industry chain of R&D, design, manufacturing and service is perfect, making every effort to build a famous sweater city in China. Relying on 230 kilometers of coastline and well-known high-quality beach resources in North China, we

build coastal high-quality tourism belt and provincial modern service industry agglomeration area. With the rapid development of science and technology innovation and education, there are 3 superior enterprises of intellectual property rights at or above the provincial level, 8 provincial and municipal engineering and technology research centers, and 16 high-tech enterprises in the city, 25 enterprises have joined the national information base of science and technology-based SMEs. At present, there are five high-level schools, two vocational schools and more than 30 colleges and universities within 100 km of the surrounding area. There are 470,000 students in various majors, which can provide a large number of outstanding talents for all walks of life.

The Parties are mutually interested in establishing cooperative activities in the areas of Research, Innovation and Technology Transfer related to the domain of Marine Economy

Therefore, the Parties agree as follows:

ARTICLE 1 PURPOSE

The purpose of this MoU is to define the framework in which BIG TC and Haiyang may cooperate in order to identify possible joint research and innovation projects as well as opportunities of technology transfer related to the domain of Marine Economy.

This MoU more specifically aims to:

- encourage networking and occasions of meetings between the two Parties and their associates through the participation to international conferences, the organizations missions, roundtables, visits to labs and enterprises, one-to-one meetings
- set up a steering committee to discuss and identify possible areas of cooperation in the fields as defined in article 2.1 ;
- ensure protection of confidential information shared by the Parties during of the discussions to be held in the execution of this MoU ;

ARTICLE 1. SCOPE OF COOPERATION

1.1 Domain of cooperation

This MoU shall be implemented in the domain of Research, Innovation and Technology Transfer related to Marine Economy and specifically in the fields (hereinafter “Domain of cooperation”):

- ◆ Marine environment and coastal zone,

- ◆ Marine biotic resources,
- ◆ Marine abiotic resources,
- ◆ Shipbuilding and marine robotics,
- ◆ Renewable blue energies,
- ◆ Blue biotechnologies,
- ◆ Sustainability and economic uses of the sea,
- ◆ Research infrastructures,
- ◆ Skills and jobs.

1.2 Specific projects

1.2.1 Within the Domain of cooperation, the Parties may define one or more specific projects (hereinafter “Projects”) of interest to the Associates of BIG TC and of Haiyang which will be subject to specific agreements (hereinafter “Specific Agreement”) between the interested Associates of BIG TC and Haiyang .

1.2.2 These projects can take any of the following forms:

- Research & Innovation Projects,
- Services,
- Joint Industrial Programs (JIP),
- Technology Transfer

1.2.3 Notwithstanding the above, it is understood that the Parties shall have no obligation to enter into any further agreement between themselves regarding the scope of this MoU. Therefore, each Party shall remain free to conclude any agreement with third parties in the Domain of cooperation.

ARTICLE 2. STEERING COMMITTEE

2.1. As of the effective date of this MoU, in view of ensuring that the MoU is properly implemented, the Parties agree to set up a steering committee (hereinafter “Steering Committee”) composed of three (3) members representing each of the Parties, as follows:

- two (2) representatives of BIG TC and one (1) substitute:

- Mr. Roberto Cimino, Chariman of the Technology Cluster Blue Italian Growth
 - Mr. Emilio Fortunato Campana. Scientific Technical Committee Coordinator of the Technology Cluster Blue Italian Growth
 - the substitute member will be identified at the beginning of 2019
- two (2) representatives of Haiyang and one (1) substitute:
- Mr. Liu Hongtao, Party Secretary of CPC Haiyang Committee
 - Mr. Xiu Jingtang, Director of Reform and Development Bureau of Haiyang
 - Mr. Liu Bingguo, President of Yantai Yaqi Textile Co.,Ltd (substitute member)

The first representative of each Party mentioned here above shall act as preferential point of contact for the purpose of the MoU.

Each Party may replace representatives above-mentioned by written information sent to the other Party.

Each representative of the Parties may invite the person/experts of his choice to attend meetings of the Steering Committee, provided this person is subject to the confidentiality obligations defined in Article 5.

2.2. The Steering Committee shall meet periodically every six (6) months, or as often as necessary at the written request of one of the Parties.

The meetings of the Steering Committee may be held at BIG TC's or Haiyang's premises or in other locations, if mutually agreed, also by teleconference or other telecommunication means, provided that the Parties agree to do so.

The expenses incurred in connection with the organization of this Steering Committee, such as travel and accommodation costs, shall be borne respectively by each Party.

2.3. The Steering Committee shall be in charge of the following tasks:

- Provide with guidelines of cooperation for their respective organisations and their associates;
- Maintain liaison between the Parties;
- Carry out the general coordination of the cooperation of the Parties under the MoU;
- Perform an overview of the actions in the framework of the MoU;
- Review and update when necessary the Domain of cooperation;
- Endeavour to find an amicable solution to any dispute that may arise between the Parties.

All decisions of the Steering Committee require unanimity between the Parties, each Party having a single vote carrying the same weight.

Minutes of meetings shall be prepared by one of the representatives of the Parties designated during the meetings, and communicated to all the representatives of the Parties. The minutes shall be considered as accepted if, within fifteen (15) calendar days from sending, no representative has objected in writing with respect to the accuracy of the draft of the minutes. If such validation cannot be secured, the dispute will be brought before the signatories to the MoU or any other person appointed for that matter.

ARTICLE 4. FINANCIAL RESPONSIBILITY

Costs and expenses incurred by the parties for fulfilling their obligations shall be borne by the Parties themselves.

ARTICLE 5. LAWS AND INTELLECTUAL PROPERTY RIGHT

5.1. This MoU is being applied in full observance of the regulations and legislation in force in the respective countries.

To the extent that the foregoing provision is satisfied, the ownership of science and technology achievements and intellectual properties generated from and involving cooperation under this MoU shall be determined according to international conventions.

5.2. Both Parties will put themselves under an obligation to treat in strict confidence all information received in the framework of this MoU and its subsequent individual project contracts and subcontracts or results achieved, regardless of the form (written, through IT technology or verbally) which is recognizable or identified as being confidential. This includes especially knowledge about the existence of contractual relationships with third parties and about their affairs.

5.3. The Parties will not, without the prior written consent of the disclosing Party, copy or reproduce any document which may be supplied, and any Party receiving such document will return the same and any copy thereof to the Party, supplying the same without undue delay upon that party's request.

5.4. Information and results may only be used for the purpose for which they were transmitted and may not be passed on to third parties without prior written consent from both Parties. Where the contracting Parties use documentation and results in the context of the project that are marked "confidential" they will ensure confidential treatment of such documentation by their employees.

ARTICLE 6 TERM AND TERMINATION

6.1 This MoU shall come into force on its date of signature for a period of three (3) years, unless early terminated by either Party under conditions below. The term of the MoU may be extended by way of amendment signed by the Parties.

6.2 The confidentiality obligations defined in article 5 shall survive the termination of the MoU, whatever the cause, for a period of ten (10) years.

6.3 This MoU may be terminated by right by either of the Parties in the event of non-performance by the other of one or more obligations hereunder.

6.4 Termination shall only become effective one (1) month after the sending by the complaining Party of a registered letter with acknowledgement of receipt, exposing the reasons for the complaint, unless within this time the defaulting Party has satisfied its obligations or proved the existence of a force majeure event preventing it from fulfilling its obligations.

6.5 Termination of the MoU does not dispense the defaulting Party from fulfilling its contractual obligations until the effective date of termination, subject to any damages that may be claimed by the plaintiff Party due to the early termination of the MoU.

ARTICLE 7 GOVERNATIVE LAWS AND COMPETENT COURT

7.1 Should a dispute arise between the Parties concerning the validity, the interpretation and/or the implementation of this Agreement, the said dispute will be finally settled by arbitration.

7.2 Arbitral Court will consist of three members, one appointed by each Party and the third appointed jointly.

7.3 The place of arbitration shall be Naples (Italy) unless otherwise agreed upon.

7.4 The language to be used in the arbitral proceedings shall be English unless otherwise agreed upon.

ARTICLE 8 MISCELLANEOUS

This Cooperation Framework Agreement is executed in two original copies in English, equally being official and authoritative.

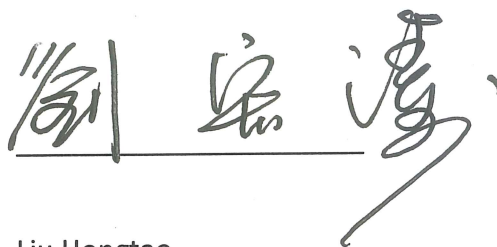
BIG Technology Cluster



Roberto Cimino
BIG TC Chairman

Date 2018.12.04

Haiyang Municipal People's Government



Liu Hongtao
Party Secretary of CPC Haiyang Committee

Date 2018.12.4