



Document of Understanding
Between
SciFlair (Pvt) Ltd
And
National University of Sciences and Technology



THIS DOCUMENT is made on 20th of March, 2019 at the Office of Pro Rector (RIC), CIE Building, NUST main campus, H-12, Islamabad (44000), Pakistan by and

Between

National University of Sciences and Technology (NUST) having its registered office at National University of Sciences and Technology Campus, H12, Islamabad postal code 44000 – Pakistan (hereinafter referred to as “NUST” which expression shall unless repugnant to the context, mean and include its administrators, authorized representatives, successors-in-interest and permitted assigns) of the First Part.

And

SciFlair (Pvt) Ltd, Islamabad, Pakistan (hereinafter referred to as “SciFlair” which expression shall unless repugnant to the context, mean and include its administrators, authorized representatives, successors-in-interest and permitted assigns) of the Second Part.

NUST and SciFlair are hereinafter collectively referred to as the “Parties” and individually, as the “Party”.

The Parties agree to collaborate and cooperate with one another as follows

1 Rationale

SciFlair is engaged in various collaborative Research and Development (R&D) projects at National University of Science and Technology (NUST).

NUST has a dedicated marketing and sales team at Centre for Innovation and Entrepreneurship (CIE) which could play an active role to turn SciFlair NUST collaboration into a revenue share business model.



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This document of understanding (DOU) define the roles and responsibilities of both Parties to reach the very objective.

2 Background

2.1 SciFlair (Pvt) Ltd

SciFlair is a systems design company based in Bristol, United Kingdom and also having a registered office in Islamabad, Pakistan. SciFlair main area of focus is Security and Automation using Internet of Things (IOT). SciFlair is supporting (R&D) activities at NUST since 2014. The engagement included establishment of IOT lab at SEECS, consultancy projects, Industrial partnership in various research projects, support of 15+internships donation of hardware components and IT equipment.

2.2 National University of Sciences and Technology

National University of Sciences and Technology (NUST) is a public university with main campus in Islamabad, Pakistan. NUST has over 16,000 full-time students enrolled in 18 constituent Schools / Colleges with over 1,100 academic faculty staff. It is ranked by QS Worlds Ranking as among the leading 50 universities under the age of 50 and is ranked by QS as among top 500 universities in the world.

3 Areas of Collaboration:

Pakistan is a semi-industrialized economy. There is a huge scope to increase the efficiency and productivity of processes in both private and public sector. SciFlair can offer its product and services to automate these processes in a wide range of organisations including manufacturing industry, logistics, energy production, utility metering, power distribution, agriculture, food securities, environmental monitoring and water conservation.

4 Products and Services:

SciFlair has developed a range of communication modules and a central IOT cloud platform which decouples the choice of communication technology from the application



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software. The six rapid prototyping modules are based on GSM, WiFi, Mesh, Ethernet, Lora and SigFox technologies. These modules can be mixed and matched to develop an application with a product to market in a time of few weeks. SciFlair intends to design innovative products and services using its communication modules and IOT cloud platform.

5 Mutual Collaboration:

SciFlair and NUST collaboration aims to offer a differentiated value to the customers.

1. SciFlair engineering team has a track record to undertake and complete multi-disciplinary international engineering projects. SciFlair is the original equipment manufacturer of both hardware and software modules. With presence in Europe and Middle East, it has the ability to turn prototypes into end products and manufacture them in a very short time. The collaboration shall allow customers to pilot test a proof of concept prototype at a small scale with the surety of large scale roll out.
2. NUST nurtures some of the finest brains in-country. The post graduate student may be offered a thesis topic to solve an industrial problem. They can be employed as research associates / assistants. The proposal offers industrial customer a low risk entry to solve problems and stay ahead of innovation.
3. NUST has extremely qualified faculty. This collaboration shall create an opportunity for NUST faculty to get involved in industrial projects. The collaboration with an experienced R&D team could guarantee customers a successful outcome every time.
4. The collaboration shall develop new products and ideas which shall create new markets and jobs. In long run, the collaboration shall offer local solutions to local problems which will be economical and easily adaptable while enhancing local engineering skills.

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6 Collaboration Models

Until now, SciFlair presence in Pakistan is limited to open ended R&D without a commercial outcome. The collaboration between SciFlair and NUST shall be based on two collaboration models:

1. Solutions model
2. Consultancy model

6.1 Solutions Model

In the solutions model, NUST marketing team shall visit private and public customers to understand their business processes and problems faced by them.

SciFlair shall be engaged to identify a technical solution to problem which shall be commercially viable. After undertaking the risk assessment, a scope of work shall be prepared and the project shall be divided into research and development tasks.

SciFlair shall work with NUST management to identify faculty members and group of students or research associates willing to work on specific tasks. The remuneration of faculty and research staff, and percentage revenue share shall be agreed between SciFlair and NUST.

An outline quote shall be prepared jointly by Parties and submitted by NUST marketing and sales team to the customer with rough project time scales. A purchase order shall be issued by the customer, or an agreement in principle shall be signed by the customer to approve the quote. A legal contract shall be prepared with the help of NUST legal team to be signed by the customer. SciFlair shall prepare a detailed project plan with roles and responsibilities clearly defined.

The project shall be managed, executed, delivered and later on owned jointly by NUST and SciFlair. The implemented solution shall be exclusive to SciFlair and NUST within Pakistan. Any opportunity which is identical and outside of Pakistan shall be subject to mutual discussion and further agreement between Parties.

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6.2 Consultancy Model

In consultancy model, SciFlair shall award research project to NUST faculty. The project shall be carried out at NUST. Intellectual Property (IP) shall belong to SciFlair and NUST. The commercial rights to exploit the IP shall be subject to the calculation of full economic costing from investment of time, human, intellectual and financial contribution of Parties. NUST shall not publish any results or disclose any finding to public without written permission from SciFlair.

7 SciFlair Support

In order to have a successful collaboration, SciFlair shall offer support to the NUST faculty members and students to use its modules and IOT platform in the projects. SciFlair shall offer workshops at NUST about IOT and product design.

NUST shall offer logistical support to interact with customers and discuss potential projects.

NUST shall grant gate passes to frequently visiting SciFlair permanent staff during the term of collaboration.

NUST shall assist SciFlair with all legal and contractual matters of mutually collaborated projects with customers and others.

NUST shall assist and ensure SciFlair customs clearance of equipment and components needed to execute mutually collaborated projects.

NUST shall allocate on campus accommodation to host SciFlair team from abroad during the project, subject to availability.

NUST shall offer access for the use of test labs within NUST required during / after the completion of mutually collaborated projects.

NUST shall shield SciFlair team from any excessively complicated administrative procedures within the university and let it purely focus on R&D activities.

NUST shall acknowledge and mention projects supported by SciFlair in its marketing literature and publications.

NUST shall appoint a single point of contact to support SciFlair for all its dealing within NUST.

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8 Source of Revenue

NUST main source of revenue shall be:

1. Percentage of project value agreed in advance.
2. Consultancy charges

SciFlair main source of revenue shall be:

3. Profit from execution of projects
4. Profit from sale of products
5. After sale support and services

9 Cost Structures

SciFlair shall bear:

1. R&D student/research associate cost
2. Faculty member cost upon successful and timely completion of deliverables
3. Manufacturing costs
4. Materials cost
5. Production cost
6. Service and support cost
7. Warranty cost
8. Custom clearance cost

NUST shall bear:

1. Marketing and sales cost
2. Administrative cost within the NUST
3. Legal and contractual assistance costs
4. Logistics cost

Parties shall jointly bear:

1. Approvals and pre-certifications of products

10 Key Performance Index

SciFlair and NUST shall work together to increase the profitability. The Key Performance Index (KPI) shall be:

1. Number of leads generated by NUST Innovation and Commercialisation team
2. Number of projects conceived by SciFlair and NUST
3. Sales turnover of the collaboration



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4. Client satisfaction of projects
5. Employee satisfaction
6. Quality of products and services

A quarterly review shall be held to discuss the KPI.

11 Intellectual Property

Both SciFlair and NUST acknowledge and protect the background Intellectual Property of each other. All Background Intellectual Property (IP) is and shall remain the exclusive property of the party owning it (or, where applicable, the third party from whom it's right to use the Background Intellectual Property has derived).

Foreground Intellectual Property shall vest in and be owned absolutely by the Party creating or developing the technology independent of each other.

Foreground Intellectual Property developed by a substantially equal investment of time, human, intellectual and financial resources by each party during a joint project within the term of this agreement shall be owned jointly by the parties.

12 Confidentiality

The content, terms and conditions of this DOU and any information exchanged between SciFlair and NUST about their respective organizations shall be treated as confidential information and shall not be disclosed by any one Party to a third party without the written consent of the other parties under the "Non-Disclosure Agreement".

13 Termination of Agreement

This DOU may be terminated by either Party provided that a written notice of such termination is given at least 60 days in advance from the intended date of termination.

The DOU shall be deemed to be violated and rendered null and void if a Party violates the financial and other conditions that have been mutually agreed by the parties.

Violating Party shall be required to compensate the other Party for the dues under terms and conditions of the DOU.

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14 Applicable Law

This DOU shall be governed by and construed in accordance with the laws of the Islamic Republic of Pakistan.

15 Settlement of Disputes

All disputes arising between the parties in connection with this DOU and carrying out of the obligations covenanted hereunder, shall be initially settled amicably between the parties and in case no settlement of dispute(s) is resolved then it shall be referred and settled through third party arbitration (mutually agreed by both parties), under the provision of the Arbitration Act, 1940 and the venue of arbitration will be RIC –NUST Islamabad, Pakistan. Both parties reserve the right to invoke to court of law of the Islamic Republic of Pakistan in case of no resolution.

16 Force Majeure

Neither of the two parties shall be held liable to pay compensation for non-performance of duties and provision of services due to reasons and circumstances that are beyond the control of the parties such as public disorder, strikes, arson, fire, theft, burglary, terrorism, war, earthquakes, floods, epidemics, breakdown of public utilities (electricity, water, gas, telephone systems) over a prolong period and non-availability of a resource person or persons due to illness or deaths or any other unavoidable circumstances. Wilful negligence, incompetence, lake of professionalism and lake of commitment and performance, however, shall not constitute part of Force Majeure.

17 Indemnity

Both the parties agrees to indemnify and hold harmless the each other, its officers and directors, employees and its affiliates and their respective successors and assigns and each other person, if any, who controls any thereof, against any loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any

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litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

18 Commercialization and Revenue Share

If the project is selected for and goes into commercialization, the distribution of revenue / royalties will be decided by mutual discussion between Director I&C / RIC at NUST and SciFlair Director based on the level of input from both parties.

Revenue share between SciFlair and NUST shall be based on the solutions model stated above. NUST shall charge a minimum revenue share percentage of 4% and maximum revenue share percentage share of 10% on the total value of the project. Both parties have the right to refuse working on a project due to potential conflict of interest or not able to meet the key performance index within the time scale.

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19 Tenure of Collaboration

This Document shall become effective after it is signed by the authorized representatives of the Parties and stamped with their corporate seals.

The validity period of this Document is: 20th March 2019 – 20th March 2024.

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The terms of this DOU could be reviewed when deemed appropriate through mutual consent.

For and on behalf of SciFlair (Pvt Ltd):

Name: Dr. M.Faheem Tariq

Designation: MD / Director SciFlair

Signature:

Date: 20th March 2019

CNIC: 35200-1217286-7

For and on behalf of NUST:

Name: Rear Admiral Dr.Nassar Ikram HI(M)

Designation: Pro-Rector (RIC) NUST

Signature:

Date: 20th March 2019

CNIC: 42000-6433173-5

Witnesses

Name: Dr. Syed Muhammad Hasan Zaidi

Designation: Principal SEECS

Signature:

Date: 20th March 2019

CNIC: 37405-7507913-3

Name: Mr. Mohammad Faisal

Designation: Director I&C, NUST

Signature:

Date: 20th March 2019

CNIC: 17301-9485435-7