

Assignment agreement

PARTIES

1. МИХАИЛ ВЛАДИМИРОВИЧ ГУЩИН (GUSHCHIN MIKHAIL VLADIMIROVICH) a Contractor incorporated under the laws of Federation of Russia, having its registered seat at [Tagenrog Rostov Region], in this matter duly represented by МИХАИЛ ВЛАДИМИРОВИЧ ГУЩИН (GUSHCHIN MIKHAIL VLADIMIROVICH) hereinafter referred to as: "**Contractor**"

and

2. Happitech B.V., a private Principal incorporated under the laws of The Netherlands, having its registered seat at Amsterdam, The Netherlands and its office address at [Hofplein 20, 3032 AC, Rotterdam, Netherlands], in this matter duly represented by [Yosef Safi Harb], hereinafter referred to as "**Principal**"

Parties sub 1 and 2 will hereinafter each separately be referred to as 'Party' or together as 'Parties'.

WHEREAS

- A. Principal is looking for a Contractor to perform for Principal a certain Assignment, as described hereinafter, and Contractor is willing to perform such Assignment for Principal;
- B. Parties will enter into this Agreement to lay down in writing their covenants with regard to the performance of the Assignment;
- C. Parties expressly do not intend to conclude an employment contract or similar relationship;

HAVE AGREED AS FOLLOWS

Article 1. Definitions

1. In this Agreement, the following capitalized terms will have the meaning assigned to them below

<i>Agreement</i>	This agreement including annexes;
<i>Assignment</i>	The Assignment that Contractor will perform based on the Agreement, as described in Article 2.
<i>Confidential Information</i>	All documents, knowledge, experience and knowhow that in any way relates to Principal, including strategies, products (which

includes the Happitech technology), services, methods and other knowledge relating to such documents, including all information, ideas, methods and concepts of Principal and Principal's licensors and assignors, such as commercial, financial, technical and all other information that Contractor should reasonably expect to be confidential. All information provided to Contractor by Principal, in whichever form, will be deemed Confidential Information;

IP-rights

All rights of intellectual property, including without limitation copyright, trademarks, patents, trade names, sui generis database rights, neighboring rights and similar rights and titles, such as domain names, and rights to knowhow;

Work

The (expected) results of the Assignment;

Software:

the software of Happitech including all updates thereto and subsequent versions thereof which allows measuring vital signs using a smartphone; the definition of Software includes but is not limited to all programs, database structure, documentation, source codes, object codes, variations, memory maps, algorithms, plans, charts, graphs, designs and other materials now or hereafter relating to or incorporated therein together with all future revisions to or updates thereof and all technical and operating manuals and any other documentation relating to it;

Derivative Works:

derivative works developed by Contractor, which directly or indirectly relate to, in whole or in part, the Software. Derivative Works may, amongst other, be any improvement, revision, modification, translation (including compilation or recapitulation by computer), abridgment, condensation, expansion, or any other form in which the Software may be recast, transformed, or adapted.

Article 2. Assignment

1. Contractor accepts the Assignment and thereby accepts full responsibility for the correct and timely performance of the agreed activities. Contractor accepts and agrees that the Assignment includes development activities regarding the Software and/or Derivative Works.
2. During the Agreement, the Contractor will perform the Assignment for the Principal and deliver the Work. The Assignment is more in detail described in relevant mails.
3. The Work will be provided to conform the timelines as agreed in the relevant mails and skype conversations.
4. During the performance of the Assignment, the Contractor will work completely independently and will perform the Assignment based on his own discretion and without any supervision of the Principal. Principal may, however, provide instructions regarding the desired result of the Assignment and/or the Work. In the event of cooperation with others, however, the Contractor will at all times first consult the Principal, to ensure that the Assignment is carried out in the best possible way.
5. Contractor expressly agrees that Contractor may not perform activities for the benefit of other parties.

Article 3. Nature of the Agreement

1. The Agreement is an assignment agreement as described in article 7:400 et seq. of the Dutch Civil Code. As such, the Principal will not be obliged to withhold income tax or premiums for employees' insurance with regard to the fees due under the Agreement.
2. Principal will not be obliged to provide the Contractor with any subsequent assignments.

Article 4. Term and termination

1. This Agreement will enter into force with retro-active effect from March 1, 2023 until December 31 2023, unless early terminated in accordance with the relevant articles of this Agreement. This Agreement may at all times be terminated (in Dutch: "opzeggen") by either Party upon ninety (90) days prior written notice to the other Party.
2. In addition, both Parties are entitled to directly terminate (in Dutch: "ontbinden") the Agreement in the event of a material failure to perform the obligation arising out of the Agreement by the other Party, after having sent a written notice of default in which a reasonable remedy period of at least thirty (30) days is offered and the other Party fails to remedy the default within said offered period.
3. Both Parties will be entitled to without a written notice of default or court proceedings being required to terminate (in Dutch: "beëindigen") the Agreement, if:
 1. the other Party applies for a moratorium on payments, is declared bankrupt or otherwise ceases to meet its financial obligations;
 2. the other Party suspends or discontinues its business activities.
4. Upon termination of this Agreement, any and all rights granted to the Contractor to perform the Agreement will immediately cease. Also, the Contractor shall forthwith surrender to

Principal all (work in progress regarding) results of the Assignment and/or the Work and any other documents (including confidential information and intellectual property) in Contractor's possession pursuant to this Agreement.

Article 5. Consideration

1. As consideration for the Assignment, Contractor will have a monthly fee of €3000,- (three thousands euros) plus taxes and plus expenses. Contractor will be entitled to any additional compensation for expenses if discussed with the Principal.
2. Contractor will monthly submit a correct, proper invoice to the Principal, which will be settled by the Principal within 30 days after receipt of the invoice.
3. Parties explicitly reject the intention that this Agreement constitutes as an agent agreement (in Dutch: "Agentuurovereenkomst") or an employment agreement (in Dutch: "arbeidsovereenkomst"). Parties acknowledge that they are aware that this Agreement does not constitute an employment agreement or similar relations, not even when the official (tax) authorities and/or designation authorities conclude otherwise and/or are entitled to impose (tax) assessments. The Contractor hereby indemnifies the Principal and will at its first request hold the Principal harmless against any possible claims of the (tax) authorities and/or the designation authorities for failing to pay taxes and/or social contributions, interest and/or fines, in relation to this Agreement and/or the agreed upon fee.

Article 6. Intellectual Property Rights

1. Contractor accepts and agrees that all IP-rights in the Software, Derivative Works and Works exclusively vest and/or will exclusively vest in Principal. Parties to that end agree that, if any IP-rights will arise in connection with the performance of the Assignment, such IP-rights will exclusively vest in the Principal. In so far as necessary Contractor hereby fully assigns such IP-rights to Principal. If for such assignment a further deed is required, Contractor hereby provides Principal with an irrevocable power of attorney to draft and sign such a deed of assignment, notwithstanding the obligation of Contractor to draft and sign such deed itself and to take all further actions required to ensure the proper assignment of the IP-rights to Principal.
2. If such an assignment of IP-rights as mentioned in section 1 of this article is not possible, for whatever reason, Contractor provides to Principal a worldwide, perpetual, irrevocable, exclusive, royalty free, transferrable and unlimited license to use the Work.
3. If any personal or moral rights as described in article 25 Dutch Copyright Act vest in Contractor, Contractor hereby waives such rights in as far as possible under Dutch law.
4. If the Work is developed or created in collaboration with another Contractor or third party, which party is (partially) entitled to the IP-rights in relation to the Work, Contractor guarantees that this third party will assign his IP-rights to the Principal.
5. If during the performance of the Assignment Contractor uses publicly available sources, or third party sources, Contractor guarantees that these sources are not subject to copyright, or that Contractor has acquired the required permission to use these sources in the Work.

Contractor also guarantees that the use of these sources will not lead to conditions or limitations in the exploitation of the Work.

6. Contractor fully indemnifies Principal and holds Principal harmless from all damages and costs relating to a third party claim that the Work infringes on the (IP-)rights of others.
7. Contractor agrees that the consideration stipulated in article 5 is a reasonable compensation for the loss of exploitation potential related to the assignment of IP-rights (whether such exploitation potential was foreseen or foreseeable or not).

Article 7. Confidential Information

1. Contractor is obliged to maintain full secrecy with regard to all Confidential Information that comes to its disposal during the Agreement. Contractor understands and agrees that the Software, Derivative Works and the Work are considered Confidential Information, as well as any information about Principal's implementation of the Software on smartphones and any information about Principal's photoplethysmography optical heart-rate heart rhythm and atrial fibrillation algorithms.
2. The obligation to maintain full secrecy with regard to Confidential Information and not to expose this Confidential Information to a third party does not apply to information which:
 - a. is publicly available and has not become publicly available by a breach of this confidentiality clause, or
 - b. was provided to the Contractor by a third party, who has obtained the information lawfully.
3. The obligation to maintain full secrecy with regard to Confidential Information and not to expose this Confidential Information to a third party does not apply if and in so far as the Contractor is under a legal obligation to provide the information to a third party.
4. This article shall survive the termination of the Agreement/

Article 8. Liability & Indemnity

1. The Principal shall not be liable to Contractor as a result of Principal's performance of this Agreement, unless such damages result from gross negligence (in Dutch: "*grove schuld/nalatigheid*") or willful misconduct (in Dutch: "*opzet*") of the Principal and/or its executive management.
2. The Contractor shall fully indemnify the Principal and hold the Principal harmless against any claims of third parties, including, but not limited to, claims for damages incurred as a result of the performance of duties and rendering of services by the Contractor pursuant to and in relation to this Agreement. The indemnity granted shall include, but shall not be limited to, all claims for damages, losses, taxes, fines, costs, expenses and legal fees, and any interest thereon.

Article 9. Non-competition

1. Contractor guarantees that it shall not:
 - a. Exploit, offer, market, promote nor make available software, on its own behalf or on behalf of any third party, directly or indirectly, that competes with, or might compete with or is in any way similar to the Software, Derivative Works or the Works;
 - b. Exploit, offer, market, promote or provide services (whether or not using the Software, Derivative Works or the Works or similar) on its own behalf or on behalf of any third party, directly or indirectly, that competes with, or might compete with or is in any way similar to services provided by the Principal;
 - c. offer any substantially similar Software to competitors, being any entity which competes with Principal, by being either directly or indirectly in the same or a similar line of business as Principal, specifically with respect to Principal's line of business;
 - d. assist third parties in offering substantially similar Software to competitors.
2. In case of reasonable doubt about whether any third party qualifies as a competitor, Contractor must contact the Principal to enquire whether said third party is a Competitor. In case of a continued difference of opinion, the matter will be decided by board members of the Parties.
3. Contractor guarantees that it shall not make any false or misleading representations regarding Principal or the Software. No representations made by Contractor are binding upon Principal and Contractor shall defend, indemnify and hold Principal harmless from and against any claims, demands, actions or causes of action arising from or in any way relating to representations made by Contractor.
4. This article shall survive termination of the Agreement.


Article 10. Various

1. Upon breach by Contractor of any of the obligations under article 7 (confidentiality) or 9 (non-competition), Contractor forfeits a directly payable penalty to Principal of EUR 25.000 per obligation and an additional penalty of EUR 5.000,- per day that the breach continues, notwithstanding Principal's right to claim additional damages.
2. Parties agree that, where applicable in the meaning of the GDPR, personal data may be processed. To the extent necessary, Parties agree to execute any further documents regarding the processing of personal data.
3. The Agreement shall be governed by the laws of the Netherlands. The UN Convention on Contracts for the International Sale of Goods ('CISG') does not apply. All controversies, disputes or claims arising out of or relating to this Agreement or the breach thereof shall be exclusively and finally settled by the competent civil court in Amsterdam, the Netherlands.

4. If any provision of the Agreement shall be held to be illegal or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that the Agreement shall otherwise remain in full force and effect and enforceable.
5. The failure by a Party to exercise any rights hereunder shall not operate as a waiver of such Party's right.
6. Contractor may not sell, lease, assign or otherwise transfer, in whole or in part, its rights, obligations nor the entire Agreement. Any such attempted assignment shall be void and of no effect without Principal's explicit prior written consent. Principal may attach conditions to granting consent.
7. Parties agree that this Agreement has retro-active effect as per 1 January 2021. Contractor explicitly acknowledges that Article 6 (IP-rights) applies with regard to its activities prior to the below signature date.

This Agreement has been duly signed by authorized signatories of the.

Principal



By: Yosef Safi Harb

Date: 28.02.2023

Contractor



By: Gushchin Mikhail Vladimirovich

Date: 28.02.2023