Protocol of Long Term Cooperation for Establishment of Joint

R&D Laboratory on Security Inspection Technology

This agreement is made by and between **TPU Limited** (hereinafter called "Party A") and **Powerscan Company** (hereinafter called "Party B").

Whereas Party A is in rich experience working on R&D in Betatron, Imaging and Party B is in rich experience working on Security Inspection Systems in the past years and other related technology to be used in the field of Container/Cargo Inspection Systems.Security Inspection Systems. Common decision is reached by and between Party A and Party B into this Protocol as follows:

- I. Object: Based on joint working by Party A and Party B, a good Joint R&D Laboratory named as **TPU/PWS Laboratory** (hereinafter called "the Laboratory") shall be established at the "National Research Tomsk Polytechnic University" (Russia) for R&D working on the latest technology and experiment so as to keep and secure Betatron, Imaging and other related technology, etc. resulted from the Laboratory in the best position facing strong international competition. The Laboratory shall be having the following Fuctions:
 - 1st Function R&D: R&D working on the latest technology and experiment shall be made by Party A and Party B with every efort from time to time for continuos improvements on Betatron,

Imaging and other related technology, etc. to be used in the field of Container/Cargo Inspection Systems.Security Inspection Systems, based on implement of multifarious R&D subjects.

- 2. 2nd Function Display Platform: The Laboratory can be acting as a good Display Platform demonstrating and reviewing the latest technology and experiment to be used in the field of Container/Cargo Inspection Systems.
- **3. 3rd Function HRD:** Human Resource Development (HRD) shall be kept going well to attract young Russian and Chinese or other foreigners working on the Security Inspection Technology at the Laboratory.
- 4. 4th Function Training: The Laboratory can be acting as a good training centre for the engineers dispatched from Party A and other persons dispatched from customers and potential clients.

II. Management and Communication:

- 1. Management: Two persons (four persons in total) shall be designated and authorized by each of Party A and Party B respectively responsible for management and review of working progress.
- 2. Regular Working Meeting: a Regular Working Meeting shall be gathered within every six-month period for discussing, making

and reviewing R&D Working Plan and its progress. Each Working Plan shall be in the Form of a separate "Attachment" in details and signed by and between both of of Party A and Party B. Each "Attachment" shall be formed as an integral part of this Protocol and having the same legal force as the Protocol.

- **3. Communication:** Each communication letter by e-mail shall be answered by the other related party within three working days.
 - A. For Party A:

Name 1: Valeriy N. Borikov [borikov@camsam.tpu.ru] Name 2: Victor N. Shcherbinin [victornic@tpu.ru]

B. For Party B:

Name 1: Julia Sun [juliavipcn@gmail.com]

III. Financing:

- 1. Financing Support: Both of Party A and Party B shall be liable and obligated to make financial support so as to keep Working Plan and its progress going normal. Concrete financial problem shall be discussed and concluded at a Regular Working Meeting on case by case.
- 2. Principle: Each party shall bear all the expenditures and cost on the scope of working of its own.
- IV. Intellectual Property: All the Intellectual Property resulted from the Working Plan at the Laboratory shall be shared by both of of

Party A and Party B jointly.

- V. Dispute: Any dispute occurred between Party A and Party B shall be settled through friendly consultation.
- VI. Attachment: the Attachment hereto is an integral part of this Agreement and have the same legal force.

This Agreement shall be signed by and between the Party A and Party B in two Originals and each party shall keep one Original. This Agreement shall come into force after its signature.

For and on behalf of TPU:

For and on behalf of Powerscan:

Authorized Signature:

Authorized Signature:

TPU Rector Peter S. Chuhik

Date:

Place: Tomsk

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