

**CONFIDENTIAL**

## MEMORANDUM OF UNDERSTANDING



**and**



This Memorandum of Understanding (the **MOU**) is dated 20 February 2017,

**BETWEEN:**

- (1) **TAWAZUN ECONOMIC COUNCIL** whose principal office is at P.O. Box 908, Abu Dhabi, United Arab Emirates (**Tawazun**); and
- (2) **Turkish Defence and Aerospace Manufacturers Association** established in Turkey and whose principal address is Turan Güneş Bulvarı İlkbahar Mah.No 100/1806550 Çankaya-Ankara/Turkey (the **Association**).

Tawazun and the Association shall be referred to jointly as **Parties** and individually as **Party**.

**BACKGROUND**

- (A) Tawazun have formed National Defense Companies Council (**NDCC**) as the prim association concerned with enhancing defence industrial capabilities in the United Arab Emirates. Founded in 2014, NDCC membership is drawn from the private as well as the public sectors.
- (B) The Association is representing association of high technology manufacturers of Turkish Defence, Aerospace and Security Sector.
- (C) Tawazun and the Association wish to cooperate with a view to recognize one another and work together to identify opportunities in the fields of supporting and developing defence industry and other mutual objectives.

**IT IS AGREED** as follows:

**1. OBJECTIVE OF MOU**

- 1.1 The objective of this MOU is to express the Parties' willingness and intent to cooperate together in order to identify different business opportunities in field of supporting and developing defence industry and assess the viability and feasibility of such cooperation opportunities and reflect the same in appropriate and definitive agreements to be agreed by the Parties (each opportunity being a **Project**).
- 1.2 The Parties wish to establish a joint committee to facilitate the initial development of Projects.
- 1.3 The Parties agree that the objective of this MOU shall be used for discussion purposes only and shall not be deemed to create any right or obligations for or on behalf of either Party.
- 1.4 Except for Clauses 1.1, 1.2 and 1.3, all other provisions of this MOU shall be binding on both Parties.

**2. RECOGNITION**

- 2.1 NDCC will recognize the Association as the association in **TURKEY** which represents the full range of defence and security industry in that country, with provision that this MOU does not preclude Tawazun from establishing new relationships with, or maintaining or expanding upon existing relationships with other organizations in.

2.2 The Association will recognize the NDCC as the association in United Arab Emirates, with provision that this MOU does not preclude Tawazun or NDCC from establishing other cooperation with, or maintaining or expanding upon existing cooperation with organizations.

### 3. JOINT COMMITTEE

3.1 A joint executive committee (the **Joint Committee**) shall be formed following signature of this MOU and shall comprise an equal number of appointees drawn from each Party (the **Members**).

3.2 Joint Committee meetings shall take place at such times and at such locations as may be agreed between the Members from time to time. Joint Committee meetings may consist of a conference between the Members some or all of whom are in different places.

3.3 The resolutions of the Joint Committee shall be made by the unanimous consent of its Members. In circumstances of a continuing disagreement or deadlock on the Joint Committee the particular matter shall be escalated for decision to the respective managers of the Parties.

3.4 Comprehensive minutes of the meetings of the Joint Committee shall be produced and circulated between the Parties.

3.5 The Joint Committee shall be authorised to consider and make non-binding proposals and recommendations to the Parties.

3.6 Initial work streams shall include without limitation matters such as:

- (a) Sharing information by exchange of appropriate newsletters, bulletins, press releases, etc. that may be potentially of mutual interest.
- (b) Organise inward and outward missions as well as give advance notice of relevant events of potential interest to their respective memberships through regular calendar exchange, in order to maximise attendance from both sides.
- (c) Co-ordinate views and positions, wherever practicable, on mutually relevant issues and activities. Where appropriate and consistent with the policies of each organisation, co-ordination might be extended to detailed co-operative arrangements in support of specific activities; and
- (d) Conducting feasibility study for financing joint activities.

3.7 Where the Joint Committee recommends that third party professional advisors or consultants are instructed, these shall be instructed jointly by the Parties and the costs shall be borne equally between the Parties.

### 4. DURATION

4.1 This MOU shall take effect from the date it is signed by the Parties and shall continue for a period of five (5) years unless earlier terminated by either party upon sixty (60) days prior written notice to the other Party.

4.2 Each Party shall have the right, without prejudice to its other rights or remedies, to terminate this MOU immediately by written notice to the other if the other Party is in material breach of any of its obligations under this MOU and either that breach is incapable of remedy or the

other Party shall have failed to remedy that breach within thirty (30) days after receiving written notice requiring it to remedy that breach.

- 4.3 Any termination of this MOU (howsoever occasioned) shall not affect any accrued rights or liabilities of either Party, nor shall it affect the coming into force or the continuance in force of any provision of this MOU which is expressly or by implication intended to come into force or continue in force on or after termination.
- 4.4 On termination of this MOU the provisions of Clauses 6 (*Confidentiality*), 9 (*Applicable Law and Dispute Resolution*), 10 (*Notices*) 11 (*Costs*), 12 (*Entire Agreement*) 13 (*Counterparts*), 14 (*Third party*), and 16 (*Relationship*) shall survive and continue to apply with full force and effect.

## 5. PUBLICITY

- 5.1 The Parties shall co-ordinate all public statements and other disclosures with regard to this MOU. Neither Party may enter into any publicity regarding this MOU unless it receives prior written permission from the other Party. This permission shall not be unreasonably withheld. Notwithstanding the provisions hereof the Association hereby agrees that Tawazun can make a public announcement regarding the subject matter of this MOU.
- 5.2 The restrictions in Clause 5.1 shall not apply if and to the extent that, an announcement is required to be disclosed by law, regulation or any governmental or competent regulatory authority, as long as and to the extent reasonably practicable the disclosing Party supplies a copy of the required disclosure to and consults in reasonable time in advance with the other Party of the relevant information on the proposed form, timing, nature and purpose of the disclosure.

## 6. CONFIDENTIALITY

- 6.1 All confidential information given by either Party to the other or otherwise obtained (**Confidential Information**) shall be treated by the other Party, its employees, agents and sub-contractors as confidential and shall not be used other than for the purposes of this MOU. Each Party agrees to use the same degree of care as it uses to protect its own Confidential Information, and in any event no less than reasonable care, to prevent the disclosure and to protect the confidentiality of the other Party's Confidential Information that it has been given or has otherwise obtained as set out above.
- 6.2 The provisions of Clause 6.1 shall not apply to any Confidential Information which:
- (a) at the time of supply is in the public domain;
  - (b) is already in the lawful possession of one Party or an Authorised Recipient (as evidenced by written records) prior to its supply by the other Party;
  - (c) subsequently comes lawfully into the possession of one Party or an Authorised Recipient from a third party who does not owe the other Party an obligation of confidence in relation to it;
  - (d) is independently developed without use of the other Party's Confidential Information;
- or

(e) is required to be disclosed by law, regulation or any governmental or competent regulatory authority, as long as and to the extent reasonably practicable the disclosing Party supplies a copy of the required disclosure to and consults in advance with the other Party of the relevant Confidential Information on the proposed form, timing, nature and purpose of the disclosure.

6.3 Nothing in this Clause 6 shall be deemed or construed of limiting either of Parties to share Confidential Information with subsidiaries, or affiliates or its professional advisers or bankers provided the disclosure is necessary for the purposes of this MOU and each such person or entity agrees to be bound by similar confidential obligations (each an **Authorised Recipient**). Each Party agrees to be responsible for any breach of this Contract by any of its respective Authorised Recipients.

## 7. ASSIGNMENT

7.1 Neither Party may assign and transfer its rights and interest under this MOU, in whole or in part, without the prior written consent of the other Party. Notwithstanding the provisions hereof, Tawazun shall be entitled to assign and transfer its rights and interest under this MOU to a related or subsidiary entity.

## 8. AMENDMENTS

8.1 Any amendments to this MOU shall only be valid if set forth in writing and executed by both Parties.

## 9. GOVERNING LAW AND ARBITRATION

9.1 This MOU shall be governed, construed, and interpreted in accordance with the Swiss Federal Law.

9.2 Any dispute, controversy or claim arising out of or in relation to this contract, including the validity, invalidity, breach or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules.

9.3 The number of arbitrators shall be one.

9.4 The seat of the arbitration shall be Geneva, Switzerland.

9.5 The arbitral proceedings shall be conducted in English.

9.6 Notwithstanding the above, the parties may agree at any time to submit the dispute to mediation in accordance with the Swiss Rules of Commercial Mediation of the Swiss Chambers' Arbitration Institution.

## 10. NOTICES

All notices and other communications required or authorised to be given under this MOU shall be sufficient and effective when the same is in writing and either personally served on an officer of the Party to whom it is given or mailed by registered addressed as follows:

(a) to Tawazun at:

Tawazun Economic Council  
Al Mamoura B (11<sup>th</sup> Floor), Mohamed Bin  
Khaleefa Street,  
P.O. Box 908,  
Abu Dhabi, United Arab Emirates

Marked for the attention of:  
Mohamed Abdulrhman Al Hashmi  
National Defense Companies Council

(b) to Association at:

Turkish Defence and Aerospace  
Manufacturer Association  
Turan Güneş Bulvarı İlk Bahar Mah. No  
100/18  
06550 Çankaya- ANKARA /TURKEY

Marked for the attention of:  
Hüseyin BAYSAK  
Secretary General

or to such other person or address as any Party may specify by notice to the other Party hereto.

#### 11. COSTS

Save as otherwise provided in this MOU, or as otherwise specifically agreed in writing by the Parties after the date of this MOU, each Party shall pay the costs and expenses incurred by it and each of its affiliates in connection with the entering into and performance of this MOU.

#### 12. ENTIRE AGREEMENT

This MOU constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior communications and agreements, whether oral or written, relating to such subject matter.

#### 13. COUNTERPARTS

This MOU has been executed in a number of counterparts equivalent to the number of Parties to this MoU, each of which shall be deemed an original and all of which together shall constitute one and the same MOU.

#### 14. THIRD PARTY

A person who is not a party to this MOU shall have no right to enforce any of its terms.

#### 15. LANGUAGE

All communications between the Parties and documents to be in the English language.

#### 16. RELATIONSHIP

The relationship of the Parties hereunder is one of independent contractors and nothing contained in this MOU shall be construed to make either party a joint venture, principal, agent or employee of the other nor shall this MOU constitute, create or give effect to a joint venture, partnership or formal business organization of any kind. Accordingly, no Party has the power to bind, act for or obligate another Party in any manner whatsoever.

[signatures at last page]

## SIGNATORIES

**THIS MOU** has been signed on behalf of the Parties by their duly authorised representatives on the date which appears first on page 2.

For and on behalf of

**TAWAZUN ECONOMIC COUNCIL**

by:



Name: **Saif Mohamed Al Hajeri**

Title: **Chief Executive Officer**

For and on behalf of

**TURKISH DEFENCE AND  
AEROSPACE MANUFACTURERS  
ASSOCIATION**

by:



Name: **Selçuk Yaşar**

Title: **Chairman Board Member**



Name: **Aziz Sipahi**

Title: **Board Member**