

## Grant Guarantee Program (GGP) Offer Letter

This **GRANT GUARANTEE (GGP) OFFER** ("Offer") is effective 2/26, 2021 and the Offer becomes only binding once signed by both Parties: **MUNICIPIUL TÂRGU MUREȘ**, public institution from Romania, headquartered in Târgu Mureș 540026, Piața Victoriei nr. 3, ("Local Partner");

and **EON Reality Inc.**, a California corporation with a corporate headquarters at 39 Parker, Irvine, California 92618 United States of America ("EON"),

### 1. The Object of the Agreement

- 1.1 Parties is concluding this Agreement based on the importance of high-quality digital education, part of which XR (Virtual Reality and Augmented Reality) has been identified as a key for building digital competitiveness in education.
- 1.2 The partnership is realized following the application of the Local Partner on EON's Grant Guarantee Program (GGP) Offer. EON Reality and the Local Partner agree to promote an educational collaboration based on education, research, and development and to set up an TârguMureș-EON-XR Center, also named the Center, with an EON-XR platform for 5000 students and 750 workers/internships per year, for a 5-year period. The Center components are described in the TârguMureș-EON-XR Center equipment list attached in Appendix A.
- 1.3 Based upon EON Reality experience in finding funding, parties engage with potential financiers to secure a grant. If the grant is not secured within a period of 270 days, EON Reality shall cover 95.7% of the costs of the Center equipment list attached in Appendix A under the column EON Co Investment and Grant Guarantee.
- 1.4 Upon the Center delivery, installation and commissioning, the Local Partner shall contribute with a grant guarantee fee of 1% of the TârguMureș-EON-XR Center value within 30 days after the delivery, installation and commissioning.
- 1.5 Parties also agree that 4.3% of the Center costs, representing optional additional equipment and services as specified in Appendix A under the column Funding Option, shall be subject of an additional financing option to the Local Partner, based upon his own decision, with no interest and no fees, to be paid in 3 equal yearly installments over 3 years.

### 2. The contributions of the Parties in the execution of Academic Partnership EON-XR Center Hosting

#### 2.1. Contributions of EON Reality:

a) to cover the actions and costs specified in its burden by this agreement, including all the costs related to cloud hosting of the Higher Education Center with a dedicated institution for the Local Partner that shall be optimized for the location selected by the Local Partner;

b) to deliver, install and commission the Center within 90 days from the signing of this agreement;

c) to cover for no additional charge 100% of the costs required for the EON pedagogical and technical XR team to implement the academic XR Self-Directed Learning Program including:

- (i) A comprehensive Needs Assessment Analysis of the Local Partner's programs with concrete XR guidelines based on the Education 3.0 approach.
- (ii) Full access to the EON-XR Resource Center with design assignments, user guides, video tutorials.
- (iii) The execution of EON Reality's 9-step implementation plan.
- (iv) Introduction to EON Reality's Global Academic Community for Remote Learning.

- (v) EON-XR Training Certification Level 1 and 2 online courses for all selected academic members.
- (vi) Workshops and online classes for teachers, students, and workers/interns to learn how to use and create lessons in EON-XR.
- (vii) The development of a framework for curriculum guidelines (both qualitative and quantitative).
- (viii) The delivery of the EON-XR module guidelines.
- (ix) Supply material document for technical training about EON-XR Center Equipment
- (x) Provide Local Partner with training on new EON-XR Platform, EON Library, EON Products and Services or any other new products and services introduced into the market after the Effective Date.
- (xi) Provide supporting materials for recruitment of the VR Innovation Academy teachers and students; d) to commit to the execution of the Center and actively participate in actions which will facilitate securing external grant approval.

## **2.2. Contributions of Local Partner:**

- a) actively participate in securing the grant by identifying grant sources, application process and other activities required to secure the funding;
- b) prepare a press release, no later than 14 days from delivery, installation and commissioning of the Center, that will be to be jointly approved the Parties announcing the TârguMureş-EON-XR Center establishment;
- c) Contribute with the grant guarantee fee of \$230.000 of the TârguMureş-EON-XR Center value within 15 days after the delivery of the EON-XR Center platform for 5000 students and 750 work/internships pursuant to Appendix A and issuing the 5-year license award statement title. The balance of \$24.122 15 days to be contributed after the delivery, installation and commissioning of the EON-XR center.
- d) to identify and make available a suitable space for Center establishment;
- e) to manage and control the activity of the TârguMureş-EON-XR Center.

## **3. Other provisions**

3.1. Although other EON projects are delivered in Romania, the parties agree and guarantee that the TârguMureş-EON-XR Center will be the reference (in complexity) and the only one of its kind in Romania (e.g., in direct partnership with universities) based the Local Partner submitted Online Application terms, which have been attached here in Appendix C.

3.2. The delivery of the Center equipment does not involve value added tax as all Center equipment will be delivered from EON's EU Italian office. In the event there is any value added tax EON shall cover it.

3.3. The parties establish that, in the event of opening the Center to commercial activity, the conditions for carrying out this commercial activity will be established by a contract starting from the percentages of 30% for EON Reality and 70% for the Local Partner.

3.4 The Parties agree that after the five years term the Center collaboration shall continue and that all content developed as well as applications shall be hosted perpetually by EON on the Amazon web cloud service at no cost and be enabled to distribution and upload with no restrictions. Furthermore, the Parties shall work in good faith to find additional funding resources to update licenses in order to continue creation of applications for the Center. In addition, all Center equipment shipped to the Local Partner will remain in their possession and used without restriction beyond the five years' term.


## **Execution and Date**


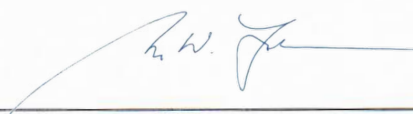
THIS OFFER is now fully executed with an Effective Date as completed by the last signing Party.

This agreement is conditioned by the receipt of an official budget in March by the Local Partner and prepared for the purpose of securing the \$25 million for the Local Partner, given that the expiration date for the Grant Certificate is in February. In the event the budget is not received, this agreement is terminated with no obligation for either party.

Meanwhile, the parties committed to keep this agreement confidential and not disclose it to any third

parties until it becomes binding. In this event, any comments or any type of statements made regarding the agreement are based on a mutual understanding and approval.

<b>Local Partner – Executing Officer</b>	<b>Local Partner - Witness</b>
	
Soós Zoltán, Primar 26.02.2021	Buculei Dianaora-Monica, Legal Advisor 26.02.2021

<b>EON Reality, Inc. – Executing Officer</b>	<b>EON Reality, Inc. – Witness</b>
	
Dan Lejerskar, Founder [Insert Date] 26.02.2021	Mats Johansson, CEO [Insert Date]

Appendix A EON-XR Center Equipment

GRANT GUARANTEE PROGRAM EON-XR CENTER



Item #	Equipment Description	Qty	Unit price	List Price	EON-XR Center EON Co Investment and Grant Guarantee *	Funding Option *	
1.1	<b>EON-XR Development Lab</b>	1		\$ 36,637.00	\$ 3,630.00	\$ 23,939.00	
1.1.1	Developer Workstations w. dual 24" displays incl. testing and integr.	5	\$ 2,940.00	\$ 14,700.00	\$ -	\$ 14,700.00	
1.1.2	Network infrastructure (Server + cabled LAN + WiFi + Printer)	1	\$ 12,900.00	\$ 12,900.00	\$ -	\$ 12,900.00	
1.1.3	Apple Development Workstation	1	\$ 1,789.00	\$ 1,789.00	\$ -	\$ 1,789.00	
1.1.4	Apple iPad Pro 11"	1	\$ 899.00	\$ 899.00	\$ -	\$ 899.00	
1.1.5	EON HD4D (Oculus Rift S with laptop)	1	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	
1.1.6	EON HD4D (Oculus Quest with Link Cable)	1	\$ 499.00	\$ 499.00	\$ -	\$ 499.00	
1.1.7	Script office - Sublime Text	5	\$ 50.00	\$ 250.00	\$ -	\$ 250.00	
1.1.8	Samsung Galaxy min S20	1	\$ 800.00	\$ 800.00	\$ -	\$ 800.00	
1.1.9	EON AR Glasses (Magic Leap)	1	\$ 2,295.00	\$ 2,295.00	\$ 2,295.00	\$ -	
1.2	<b>EON XR Platform Enterprise (Industry Programs and Interchange)</b>	3		\$ 8,074,990.00	\$ 8,550,000.00	\$ 524,900.00	
1.2.1	EON XR Platform Enterprise (Y1-3) - 250 users Cloud Delivery 1 EAERX PLATFORM CLOUD BASED Develop, Run, Manage, Access, Store, Host & Distribute XR AGNOSTIC Support for 30+ devices across Mac VR/AR (Oculus Rift, HTC Vive), Desktop, HMD (Oculus Rift S, HTC Vive), AR device (Magic Leap, HoloLens) ASSETS & LIBRARY ASSET LIBRARY: Access to more than 1 million 3D models and 300+ 3D LOAD ONLY 3D ASSETS: CAD 3D Model, BIM, etc. CONTENT CREATION CREATE & SHARE 3D & 360 APPS: Easy, Do it yourself, Intuitive, No programming based RECORDING TOOL: Multiple 3D recording for Standard Operation Procedure or guidance SEARCH ASSISTED APPLICATION CREATION: Faster & easier to create rich XR content CONTENT EXPERIENCE EXPERIENTIAL LEARNING: Guided and Do it yourself mode EXPERIENCE 3D & 360 LESSONS TRAINING TRAINING MODULE: Procedure Practice, Remote Training, Virtual Certification MULTI-USER: Support For 1-1 Or 1-Many Training MULTI-PLATFORM: Cross Platform VR Training INTEGRATED COMMUNICATION: Voice over IP built in GUIDANCE AND ASSESSMENT: Step by step instructions for task completion and integrated assessment VIRTUAL PROCEDURE ASSESSMENT SEARCH ASSISTED LESSON CREATION HOST MULTI-USER REMOTE SESSIONS ASSIGN & DISTRIBUTE LESSONS TRACK & ASSESS STUDENT PERFORMANCE EXPERIENCE 3D & 360 LESSONS EON AR: 3D & 360 LESSONS	3	\$ 2,691,666.67	\$ 2,691,666.67	\$ 2,850,000.00	\$ -	\$ -
1.2.2	EON Remote Assist Pro SW for Enterprise (Y1-3) - 10 users Cloud Delivery Remote AR assistance (or remote expert) application which allows you to optimize your worker resources by connecting in real time your field teams with the expert they need	10	\$ 20,990.00	\$ 209,900.00	\$ -	\$ 209,900.00	
1.3	<b>EON XR Systems for Virtual Showrooms and Demo Rooms</b>	1		\$ 61,489.00	\$ -	\$ 61,489.00	
1.3.1	EON Teacher High Resolution	1	\$ 49,995.00	\$ 49,995.00	\$ -	\$ 49,995.00	
1.3.2	EON HMD (Oculus Rift S with laptop)	1	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	
1.3.3	EON HMD (Oculus Quest)	1	\$ 499.00	\$ 499.00	\$ -	\$ 499.00	
1.3.4	Samsung Galaxy min S10	1	\$ 800.00	\$ 800.00	\$ -	\$ 800.00	
1.3.5	EON AR Glasses (Magic Leap)	1	\$ 2,295.00	\$ 2,295.00	\$ -	\$ 2,295.00	
1.3.6	EON AR Glasses (HoloLens 2)	1	\$ 3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00	
1.3.7	EON AR Tablet (iPad Pro 12.9" and 1x Samsung Galaxy Tab S6)	2	\$ 950.00	\$ 1,900.00	\$ -	\$ 1,900.00	
Item #	Equipment Description	Qty	Unit price	List Price	EON Investment	PARTNER Investment	
1.4	<b>EON-XR Platform Education</b>	5		\$ 16,747,490.00	\$ 16,562,400.00	\$ 245,090.00	
1.4.1	EON-XR Platform Education (Y1-3) - 1600 users Cloud Delivery TRAINING MODULE: Procedure Practice, Remote Training, Virtual Certification MULTI-USER: Support For 1-1 Or 1-Many Training MULTI-PLATFORM: Cross Platform VR Training INTEGRATED COMMUNICATION: Voice over IP built in GUIDANCE AND ASSESSMENT: Step-by-step instructions for task completion and integrated assessment VIRTUAL PROCEDURE ASSESSMENT PERFORMANCE PERFORMANCE MODULE: AR Assis MRO, Remote Expert Assis, RT Data Display MULTI-USER: Support for operation manager and multiple workers MULTI-PLATFORM: Remote Users (Phones, Tablets, Wearables) KNOWLEDGE MARKERS: AR Anchor Point Placement and Annotated with text, voice, video, 3D data	5	\$ 3,349,498.00	\$ 3,349,498.00	\$ 3,312,400.00	\$ 367,098.00	
1.4.2	EON-XR Marketplace Credits	5	\$ 1,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	
1.4.3	Custom VR Head Mounted Display Hardware (Hornade Mini)	300	\$ 8.00	\$ 2,400.00	\$ 2,400.00	\$ -	
1.5	<b>Support, Upgrades, Training and Installation:</b>	1		\$ 216,527.78	\$ -	\$ 216,527.78	
1.5.1	ACC Hardware Support for year 1 and 2	1	\$ 12,527.78	\$ 12,527.78	\$ -	\$ 12,527.78	
1.5.2	EON Trainers 10 Cohorts up to 2 weeks per cohort. Travel & Exp included	20	\$ 7,700.00	\$ 154,000.00	\$ -	\$ 154,000.00	
1.5.3	Shipping and Installation	1	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00	
1.6	<b>EON Reality VR Innovation Academy</b>	1		\$ 49,176.59	\$ 3,994.50	\$ 45,272.09	
1.6.0	Developer Workstations w. dual 24" displays incl. testing and integr.	10	\$ 2,940.00	\$ 29,400.00	\$ -	\$ 29,400.00	
1.6.1	Apple Development Workstation	1	\$ 1,789.00	\$ 1,789.00	\$ -	\$ 1,789.00	
1.6.2	Apple iPad Pro 11" with Stylus	1	\$ 899.00	\$ 899.00	\$ -	\$ 899.00	
1.6.3	3D Scanning - Structure Sensor bundle for iPad	1	\$ 540.00	\$ 540.00	\$ 540.00	\$ -	
1.6.4	EON HMD (Oculus Rift S with laptop)	1	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	
1.6.5	EON HMD (Oculus Quest with Link Cable)	10	\$ 499.00	\$ 4,990.00	\$ -	\$ 4,990.00	
1.6.6	EON AR Glasses (Magic Leap)	1	\$ 2,295.00	\$ 2,295.00	\$ -	\$ 2,295.00	
1.6.7	EON AR Glasses (HoloLens 2)	1	\$ 3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00	
1.6.8	Samsung Galaxy min S20	1	\$ 800.00	\$ 800.00	\$ -	\$ 800.00	
1.6.9	160° Camera - Ricoh Theta Z1 or similar	1	\$ 999.00	\$ 999.00	\$ 999.00	\$ -	
1.6.10	Office infrastructure	1	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	
1.6.11	Projection system for training area	1	\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	\$ -	
1.6.12	Audio system for training area	1	\$ 465.00	\$ 465.00	\$ 465.00	\$ -	
	<b>Total:</b>			\$ 26,186,120.29	\$ 25,059,984.50	\$ 1,126,135.79	
	<b>Percent:</b>			100.0%	95.7%	4.3%	

Notes:

\* In conjunction with EON Reality's delivery of EON-XR Platform and the signing of the binding Grant Guarantee Agreement, the academic partner pays the GGM a non-refundable fee of 1% of the EON-XR Center value (\$254,122)

\* In addition, EON offers to the Local Partner a financial solution for additional components as outlined above (under column Financial option which are not required for execution EON-XR Center) with no interest and no fees for the remaining 4.3% to be paid over 36 months

1) This Equipment List is Subject to the terms and conditions of the EON-XR Platform Software as a Service Subscription Service Agreement

2) Sale will be taxed unless exemption number is provided

3) This Purchase Agreement is non-cancelable and non-refundable including the deliverables.

4) Taxes, tariffs and duties excluded.

## **Appendix B - Supply and Service Warranty**

1. EON guarantees the Supply, Service and Warranty of an EON-XR Center Equipment including the equipment set-up and installations as detailed in the EON-XR Center Master Offer.

Local Partner will enjoy full ownership of the products and license rights to the use of all the equipment listed in this Supply and Service Warranty document as an end-user, without any restrictions, for the purposes of carrying out all the EON-XR Center activities including full commercial VR and AR development and use.

In addition, as per the EON-XR Center Equipment Offer, a two-year hardware warranty is included for system components. Optional support/upgrade programs are available beyond basic offering.

### 2. Service Warranty

The following detailed service parameters are the responsibility of EON in the ongoing support of this Warranty.

#### 2.1 Service Scope

The following Services are covered by this Warranty.

- o Manned telephone support
- o Monitored email support
- o Remote assistance using Remote Desktop and a Virtual Private Network where available
- o Planned or Emergency Onsite assistance (extra costs apply)
- o Regular system health check

#### 2.2 Local Partner Requirements

Local Partner responsibilities and/or requirements in support of this Warranty include:

- Payment for the EON-XR Center equipment as stipulated in the EON-XR Center Equipment Offer
- Reasonable availability of Local Partner representative(s) when resolving a service-related incident or request.

## 2.3 EON\_INC Requirements

EON\_INC responsibilities and/or requirements in support of this Warranty include:

- Meeting response times associated with service-related incidents.
- Appropriate notification to Local Partner for all scheduled maintenance.

## 2.4 Service Assumptions

Changes to services must be communicated and documented to all stakeholders.

## 2.5 Service Management.

The following sections provide relevant details on service availability, monitoring of in-scope services and related components.

### a. Service Availability

- i. Telephone support: 9:00 A.M. to 5:00 P.M. PST Monday – Friday  
Calls received out of office hours will be forwarded to a mobile phone and best efforts will be made to answer / action the call, however there will be a backup answer phone service;
- ii. Email support: Monitored 9:00 A.M. to 5:00 P.M. PST Monday – Friday  
Emails received outside of office hours will be collected, however no action can be guaranteed until the next working day

### b. Service Requests.

c. In support of services outlined in this Warranty, the EON\_INC will respond to service-related incidents and/or requests submitted by Local Partner within the following time frames:

- i. 0-8 hours (during business hours) for issues classified as High priority.
- ii. Within 48 hours for issues classified as Medium priority.
- iii. Within 5 working days for issues classified as Low priority.

Remote assistance will be provided in-line with the above timescales dependent on the priority of the support request.

**Appendix C - Submitted Online Application**

The Local Partner will comply with the submitted Online Application terms, which have been attached here.