

RDARS/EA TECHNOLOGY DEVELOPMENT AGREEMENT

Between:

RDARS Inc., an Ontario corporation, whose registered office is located at 2 Covington Rd #507, North York, Ontario, M6A 3E2 (“**RDARS**”)

-and-

Easy Aerial Inc., a Delaware corporation, whose principal place of business is located at 63 Flushing Ave., Brooklyn, NY 11205 (“**Easy Aerial**”)

WHEREAS

- RDARS and Easy Aerial entered into a Memorandum of Understanding dated May 20, 2019 (“MOU”), a copy of which is annexed hereto as Schedule A, in which Easy Aerial has agreed to participate in the development of a drone-based alarm response system for residential buildings.
- RDARS, Easy Aerial and other Collaborators (as defined below) entered into a four-way confidentiality agreement to advance the development of a prototype drone-based alarm response system.
- RDARS and Easy Aerial now wish to define the terms and scope of their cooperation pursuant to the MOU with greater particularity so as to put into effect a formal binding agreement that will supplant and supersede the MOU.

NOW, THEREFORE, in consideration of the mutual promises made herein and intending to be legally bound, the parties agree as follows:

1.0 Definitions

In this Agreement the following terms have the following meanings:

- (i) “Business” means a business based on (i) selling base station/drone units for responding to security alarms of residential properties as monitored by a small unmanned aerial vehicle, and (ii) selling and conducting monitoring services (or having monitoring services conducted) based on the feedback provided by the small unmanned aerial vehicle, including provisioning monitoring services through a centralized command and control center via a subscription model in order to generate recurring revenue.
- (ii) “Collaborators” means individually, or jointly, as the context dictates, Drone Harmony AG and Advanced Management Systems LLC.
- (iii) “Compete” means for a person or entity, either on its own account or in conjunction with any other person or persons, real or incorporeal, as principal, agent, partner, co-venturer, shareholder, investor, advisor, consultant, officer, director, employee or otherwise, in any manner whatsoever become engaged in, interested in or concerned with, or advise, lend money to, guarantee the debts or obligations of, any person or persons, real or incorporeal, engaged with, interested in or concerned with a business which is the same as *or similar* to

another business. Notwithstanding anything to the contrary contained herein, the parties agree that the work contemplated herein does not compete with the business of Easy Aerial..

- (iv) "Copyright" means any work or right, registered or registerable, under the copyright law or authors' rights of any territory or jurisdiction, and any mask work or integrated circuit topography or other such form of registered or registrable intellectual property rights.
- (v) "Easy Aerial's Background IP" means Intellectual Property owned, licensed or used by Easy Aerial related to Easy Aerial's Background Technology as of the Effective Date, including US patents or publications numbers 9,811,083 and 2018/0148170.
- (vi) "Easy Aerial's Background Technology" means Easy Aerial's:
 - Drone - capable of carrying various payloads including vision and IR cameras.
 - Ground Station – a mobile or stationary, durable and self-sustaining ground station that charges the Drone and provides weather protection.
 - Command and Control software - delivers scheduled and/or on-demand missions and provides live HD video and monitoring data in real-time.
 - Autonomous self-charging techniques.
 - Autonomous precise landing algorithms and techniques.
 - Ability to control systems from a remote location including health monitoring, configuration and status monitoring.
- (vii) "Effective Date" means September 1, 2019.
- (viii) "Residential Field of Use" means use, including selling and offering adjunct monitoring services, of a drone for security purposes on the periphery of a residential building , wherein the drone (including base station, if any) is limited to a manufacturer's suggested retail sales price (MSRP) of less than \$7,500 USD. The MSRP shall be evaluated at a bill of materials cost + 33%, or, where not directly manufactured, as the purchase price (EX-WORKS, per Incoterms 2010) from the manufacturer + 20%.
- (ix) "Limited Commercial Field of Use" means use, including selling and offering adjunct monitoring services, of a drone for security purposes on the periphery of a non-residential building, wherein the drone (including base station, if any) is limited to a manufacturer's suggested retail sales price (MSRP) of less than \$7,500 USD. The MSRP shall be evaluated at a bill of materials cost + 33%, or, where not directly manufactured, as the purchase price (EX-WORKS, per Incoterms 2010) from the manufacturer + 20%.
- (x) "Intellectual Property" or "IP" means Patents, Copyrights and Know-How.
- (xi) "Know-How" means knowledge, experience, trade secrets, software, algorithms, methodologies, designs, circuits, signal processing techniques, drawings, layouts, technical data, inventions, discoveries, improvements, manufacturing processes and techniques.
- (xii) "Patents" means any registered or registerable right under the patent law of any territory or jurisdiction, including, without limitation: (i) any issued utility or design patent or application therefore, including provisional patent applications, and any patents which may issue hereafter pursuant to any patent application; (ii) all continuations and continuations-in-part applications to the issued patent or patent application set out in clause (i) (solely to the extent such

continuations-in-part applications contain subject matter on which claims issuing obtain the benefit of a priority date of any patent or patent application set out in clause (i)); and (iii) all divisions, patents of addition, derivatives, substitutions, re-examinations, reissues, renewals and extensions of any of the patent, patent application, continuations and continuations-in-part applications set out in clauses (i) and (ii).

- (xiii) "Project" means the development of the Prototype in accordance with the Specifications.
- (xiv) "Prototype" means an initial version of the System, consisting of one base station and two drones, intended to demonstrate a pre-production, proof of concept, version of the System. The purpose of the Prototype will be to demonstrate the viability and marketability of the System and attain further capital investment for development of the Business.
- (xv) "RDARS Background IP" means Patents, Know-How and Copyrights owned, licensed or used by RDARS pertaining to the System as of the Effective Date. RDARS Background IP includes the Know-How it possessed prior to the Effective Date, including
 - the investor presentation.
 - a recurring revenue business model of selling residential drone security monitoring through a centralized command and control center.
- (xvi) "RDARS First Financing" means RDARS first round of equity financing in which RDARS raised gross proceeds in the amount of USD \$800,000 at a pre-money valuation of USD \$2,000,000 in June, 2019.
- (xvii) "Specifications" means the definition of the functions and features required for the Prototype, and the development responsibilities of each Collaborator in the development of the Prototype, as set out in Schedule C.
- (xviii) "System" means a drone-based security system as described generally in an investor presentation shown in Schedule B.
- (xix) "Term" is the period of time specified in Section 7.1.

2. Development

The parties anticipate three distinct segments to their collaboration: phase I - the initial Project to develop the Prototype; phase II - development of a marketable System; and phase III - transition to serial production, serial production, technical support and maintenance.

2.1 Prototype Development Project

2.1.1 Engagement

RDARS engages Easy Aerial as lead system integrator to implement the Project in accordance with Easy Aerial's responsibilities therein.

2.1.3 Deliverables

Easy Aerial will deliver one prototype base station and two drones in conformance with the Specifications.

2.1.4 Acceptance

The purpose of the Prototype is to establish a beta version of the System in order to showcase the System to prospective investors and customers, and therefore Easy Aerial does not warrant that the Prototype will be error-free under circumstances and conditions expected in a production environment. However, the Prototype should be able to successfully perform the demonstration use cases set out in the Specifications to the extent of Easy Aerial's best efforts.

2.1.5 Resources

Easy Aerial commits to completing the Project within six months of the Effective Date, notwithstanding delays outside of Easy Aerial control. Time is of the essence. To meet this timeframe, Easy Aerial will coordinate all staffing needs to assure completion within the aforementioned time frame.

2.1.6 Out-of-Pocket Expenses; Travel

Easy Aerial will invoice RDARS for the cost of Prototype parts that will be manufactured by third parties. Easy Aerial will seek prior written approval from RDARS for any disbursement above \$1000, or cumulatively, above \$5000.

No travel or other ancillary expenses are payable under this Agreement unless first authorized by RDARS.

2.1.5 Compensation

(a) Monetary Compensation for Prototype

Monetary compensation for Easy Aerial's services for the Project shall total USD \$225,000, payable as follows:

- (i) an initial deposit of \$45,000 payable within ten business days of the Effective Date;
- (ii) thereafter, four additional payments of \$45,000 per month, provided however, that RDARS may delay the final payment if, at the time the payment is due, Easy Aerial has not completed its responsibilities under the Project.

(b) Equity Compensation

In addition to monetary compensation, upon successful completion of Easy Aerial's responsibilities for Phase I of this project, RDARS will grant to Easy Aerial such number of shares of common stock in RDARS that will yield Easy Aerial with a ten per cent (10%) interest in RDARS' issued and outstanding shares on a fully diluted basis, as of RDARS' First Financing (the "Shares").

Upon vesting, RDARS will cause share certificates representing the Shares to be issued to Easy Aerial and will update RDARS' minute books and registers accordingly.

Easy Aerial acknowledges that as of the Effective Date – and likely at the time of vesting – there are/will be restrictions with respect to trading in or selling RDARS shares imposed by applicable securities legislation in the jurisdictions in which Easy Aerial and/or RDARS resides. Easy Aerial confirms:

- (i) that no representation has been made to it by or on behalf of RDARS with respect thereto;
- (ii) that it is aware of the characteristics of RDARS' shares and the fact that it may not be able to sell RDARS shares, except in accordance with limited exemptions under applicable securities legislation until expiry of the applicable restricted period and compliance with other requirements of applicable law and/or limitations imposed under RDARS' Articles of Incorporation; and
- (iii) it agrees that any certificates representing RDARS securities may bear legends required by applicable securities laws regarding restrictions on share transfer.

2.2 Technical Assistance and Support for Prototype Easy Aerial will provide RDARS with technical assistance and support to deal with any minor issues with the Prototype for a period of 1 year after the completion of the Project. The cumulative assistance will not exceed 120 hours (10 hours per month) over the course of 1 year.

2.3 Technical Assistance and Support

Easy Aerial intends to assist RDARS in the development of a marketable System on a long-term basis over the Term of this Agreement as will be detailed in individual phase contracts or subsequent mutually agreeable terms. The roles and responsibilities of Easy Aerial and RDARS (as well as the other Collaborators) for the marketable System will be discussed and agreed-upon at the appropriate time.

2.4 Professionalism and Insurance

(a) Easy Aerial represents and warrants that all services will be provided in a good and professional manner by duly skilled employees, agents or subcontractors who have the requisite skills and experience to provide such services.

(b) Easy Aerial represents and warrants that it has duly licensed pilots skilled in flying drones and has commercially reasonable insurance coverage for flying the drones contemplated in this Project in a public environment. Easy Aerial assumes responsibility for flights carried by its own pilots in Easy Aerial's testing site.

2.5 Distribution Rights

RDARS intends to sell the System or components thereof, or otherwise conduct the Business, with the assistance of third party distributors. RDARS agrees that Easy Aerial is entitled to be a distributor and RDARS will provide Easy Aerial with distribution rights on the same commercial terms as any similarly situated third party.

3. Intellectual Property

3.1 Ownership of Background IP.

Each party shall retain the title to and ownership of all IP owned or possessed by the respective party prior to the execution of this Agreement. In particular, Easy Aerial shall retain the title to and ownership of all Easy Aerial Background IP, and RDARS shall retain title to and ownership of all RDARS Background IP.

3.2 Ownership of IP Developed under this Agreement

3.2.1 Subject to the patent co-ownership provisions of section 3.4, the following “Intellectual property” will be owned by RDARS:

- (i) The RDARS drone design (mechanical and electrical drawings) subject to the appropriate design phase, excluding all prior Easy Aerial IP.
- (ii) The RDARS drone house design (mechanical and electrical drawings) subject to the appropriate design phase, excluding all prior Easy Aerial IP.
- (iii) Any software specifically written for RDARS under this Agreement, excluding all prior Easy Aerial IP.

3.2.2 Easy Aerial represents and warrants that all of its employees, agents and subcontractors have executed/will execute all necessary agreements with Easy Aerial that will enable the grant of IP rights from Easy Aerial to RDARS contemplated in this section to occur.

3.2.3 Subject to limitations on competition in Section 6, Easy Aerial may use all or part of the RDARS-owned IP in Section 3.2.1 for Easy Aerial’s own products upon RDARS written consent, which consent may not be unreasonably withheld.

3.3 Limited Right to Use Easy Aerial’s Background IP

3.3.1 With respect to the Prototype, Easy Aerial grants RDARS the right to use Easy Aerial Background IP as embedded in the Prototype for the purpose of demonstrating the Prototype to third parties.

3.3.2 With respect to the marketable System, it is RDARS intention, acknowledged by Easy Aerial, that RDARS seeks Easy Aerial’s assistance to develop a low cost marketable System and intends to subcontract the manufacture of marketable System components (such as drones and/or base stations) to third party low cost mass manufacturers. Accordingly, Easy Aerial grants RDARS the right to use Easy Aerial Background IP as embedded in the marketable System co-developed by Easy Aerial for the purposes of manufacturing, subcontracting the manufacture of, importing, selling, offering for sale, distributing, and servicing the marketable System, as long as Easy Aerial is contracted for phase II and III of the project. Easy Aerial shall have the right to approve RDARS selection of third party subcontractor manufacturers.

3.3.3 For avoidance of doubt, RDARS will not be entitled to receive the source code of any Easy Aerial Software embedded in the marketable System but RDARS will be entitled to receive the object code for the aforesaid purposes of manufacture.

3.4 Patents for Inventions Conceived under this Agreement

3.4.1 RDARS will have the initial responsibility to decide whether or not to file Patents for inventions conceived by Easy Aerial work on this Product or RDARS after the Effective Date and during the Term and within the scope of this Agreement (“New Patents”), and whether or not to maintain such New Patents. RDARS will pay for any external application preparation, filing, prosecution and maintenance costs and expenses incurred in connection with the New Patents that RDARS wishes to pursue or maintain. Easy Aerial will support the patent application process by dedicating engineering time for the preparation of technical description(s), drawings, and review and analysis of prior art and patent office objections, at no additional cost to RDARS.

3.4.2 Any New Patents will be jointly owned by the parties, and RDARS will take the necessary steps to register each party as co-owner of record. RDARS may exploit the jointly owned New Patents only within the Residential Field of Use, without accounting to Easy Aerial. Easy Aerial may exploit the jointly owned New Patents only outside the Residential Field of Use without accounting to RDARS.

3.4.3 The responsibility for any decision relating to the litigation of any jointly owned New Patents will follow the field of use restrictions. The litigating party will be responsible for all litigation costs and will reap all rewards. Easy Aerial maintains the right to veto any litigation that it feels may adversely affect its core business at its sole discretion.

3.4.4 The costs for defending any challenge to the validity of jointly owned New Patents will be shared equally, unless the validity challenge is prompted by the actions of one of the parties (such as threatening or implying the enforcement of patent rights) vis-à-vis a third party, in which case the costs shall be borne the party that prompted the validity challenge.

3.4.5 For the avoidance of doubt, Easy Aerial is not entitled to joint ownership of any inventions or Patents conceived jointly by RDARS and the Collaborators, without Easy Aerial’s involvement, during the Term of this Agreement.

3.5 Marketing

RDARS may publicize Easy Aerial’s involvement in the design of the System for marketing purposes, including identifying components developed primarily by Easy Aerial, provided RDARS pre-authorizes with Easy Aerial any publications mentioning Easy Aerial.

4. Representations and Warranties

4.1 Easy Aerial

Easy Aerial represents and warrants that:

- (a) It has all requisite corporate power and authority to enter into and to carry out its obligations under this Agreement; and
- (b) to the best of its knowledge, the Easy Aerial Background Technology does not infringe any third-party Intellectual Property.

4.2 RDARS

RDARS represents and warrants that:

- (a) it has all requisite corporate power and authority to enter into and to carry out its obligations under this Agreement.

5. Confidentiality

5.1 Application of Pre-existing NDAs

The confidentiality agreement signed between the parties shall apply to the Project and this Agreement. This Development Agreement supplants RDARS rights under confidentiality agreements to commercially exploit Confidential Information or Materials (as defined in the confidentiality agreements) provided by Easy Aerial in accordance with the terms of this Agreement.

6. Competition

6.1 Residential Field of Use

Easy Aerial agrees that it will not, without the prior written consent of RDARS, Compete against RDARS' Business in the Residential Field of Use, on a worldwide basis, for a period of ten (10) years from the date hereof, save for and with the exception of functioning as a System distributor, pursuant to Section 2.5, provided that Easy Aerial is contracted for phase II and III of the project. It is expressly agreed that any work that Easy Aerial is presently engaged in does not constitute "competing" work.

6.2 Limited Commercial Field of Use

For a period of ten (10) years from the execution of this Agreement, RDARS shall obtain written consent from Easy Aerial in the event RDARS wishes to Compete against Easy Aerial in the Limited Commercial Field of Use (applications outside of drones for security purposes on the periphery of residential buildings). Easy Aerial, at its sole business discretion, shall determine whether to consent to RDARS requests under this section.

6.3 Outside of Residential and Limited Commercial Field of Use

RDARS agrees that it will not, without the prior written consent of Easy Aerial, Compete against Easy Aerial outside the Residential Field of Use and any such approved Limited Commercial Field of Use pursuant to 6.2. The restrictions hereunder shall continue in perpetuity from the date of execution of this agreement.

6.4 Alternative Scope

In the event that a court of competent jurisdiction or a mutually agreed-to adjudicator deems the scope of any of the non-competes in sections 6.1 – 6.3 to be invalid as a matter of law, then the parties agree that this Agreement will be modified to geographically and/or temporally narrow the scope of the applicable non-compete to a level acceptable to the court or adjudicator.

6.5 Exclusive Technology Supplier

For the Term of this Agreement, RDARS intends that it will rely on Easy Aerial as its exclusive supplier of drone/base station technology.

7. Term and Termination

7.1 Term.

The term of this Agreement extends for five (5) years from the Effective Date.

7.2 Early Termination

7.2.1 Cessation of Business.

If one party ceases to carry on its business related to this Agreement due to insolvency, the other party shall have the right to terminate this Agreement immediately upon written notice to the insolvent party.

7.2.2 Termination for Default.

In the event one party commits a material breach of its obligations under this Agreement and fails to cure that breach within 30 days after receiving written notice thereof, the other party may terminate this Agreement immediately upon written notice to the defaulting party.

7.3 Effect of Termination.

(a) Survival. The following provisions shall survive the expiration or termination of this Agreement: Sections 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 4.1, 4.2, 5, 6.1 – 6.4, 8, and 10.

8 Disclaimer; Indemnification; Limitations of Liability

8.1 Disclaimer

EXCEPT AS MAY OTHERWISE BE EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, INCLUDING WITHOUT LIMITATION the WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON INFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, VALIDITY OF INTELLECTUAL PROPERTY RIGHTS, WHETHER ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE.

IN NO EVENT SHALL EITHER PARTY, ITS DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS BE LIABLE TO THE OTHER PARTY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGES OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER SUCH PARTY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF THE FOREGOING.

8.2 Indemnity

Each party shall indemnify the other (including its officers, employees, subcontractors) and keep it indemnified against any and all claims, liability and costs arising from breach or non-performance of the foregoing covenants, representations and warranties. Each party agrees to indemnify and save the other party harmless from and against any and all third party claims and losses involving personal injury, death, damage or destruction to tangible real property or equipment (including, but not limited to claims asserted by the indemnified party's officers, employees and agents), caused by the gross negligence or willful misconduct of the indemnifying party.

8.3 Limitations of Liability

Notwithstanding any other provision of this Agreement, the parties hereto agree that the aggregate amount of damages that can be awarded in respect of all claims by one party relating to the other party's obligations, representations, warranties or indemnities under this Agreement (whether based in tort or otherwise) shall not exceed USD \$500,000 save and except where the claim is the direct result of the gross negligence or willful misconduct of the indemnifying party.

9. Independent Contractors

Each party is an independent contractor and nothing in this Agreement shall be construed as constituting any party as a partner, joint venturer, agent or legal representative of the others, or as conferring on any party any right, power or authority to create any obligation, express or implied, on behalf of the others. Each party's employees, agents and subcontractors ("Personnel") shall be and shall remain employees, agents, and subcontractors of that party, and shall not be employees, agents, or representatives of the other party. Each party shall be responsible for the payment of any applicable federal, state, local, or foreign tax upon its earnings, its employee's salaries, related withholding, unemployment compensation, worker's compensation, and any other applicable tax, insurance, or other sum or fee which the party may be required to pay or provide. Each party shall be solely responsible for its Personnel, and shall have the sole right to hire, engage, maintain, and terminate all of its Personnel.

10. Governing Law

This Agreement shall be governed by the laws of the State of New York without regard to its conflict of laws principles, as if the parties were residents of New York. The parties attorn to the exclusive jurisdiction of the courts of New York, waiving any claims for more convenient forums.

11. General

(a) Each party shall comply with all applicable laws and regulations relating to the subject matter of this Agreement, including, but not limited to, laws and regulations regarding the manufacture, sale and use of products under this Agreement, export licenses, importation, exportation and re-exportation of technical data, and currency controls.

(b) The failure of either party to complain of any act or omission of the other party, to declare the other party in default, or to exercise any right or remedy hereunder shall not in any way constitute a waiver by such party of any rights or remedies hereunder.

(c) If any provision of this Agreement is found by a competent authority to be invalid, unenforceable or in violation of any applicable law or regulation, such provision shall be inoperative and the validity of the remaining provisions shall not be affected, and this Agreement shall remain binding upon the Parties hereto to the fullest extent permitted by law.

(d) No party has entered into this Agreement in reliance upon any representation, warranty or undertaking by or on behalf of the other party that is not expressly set out in this Agreement, save that this provision shall not limit liability for fraudulent or negligent misrepresentation.

(e) Each party agrees to take or cause to be taken such further actions, and to execute, deliver and file, or cause to be executed, delivered and filed such further documents and instruments, and to obtain such consents, as may be reasonably required or requested in order to effectuate fully the purposes, terms and conditions of this Agreement.

(f) This Agreement (including the Schedules attached hereto which is incorporated herein by reference), sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes all previous understandings, agreements, contracts, communications and representations, whether written or oral, concerning the subject matter to which this Agreement relates and shall not be extended, supplemented or amended in any manner, except by an instrument in writing duly executed by authorized officers or representatives of the parties hereto which expressly identifies the specific terms to be extended, supplemented or amended.

(g) Any notice, request, demand or other communication required or permitted hereunder shall be in writing, shall reference this Agreement and shall be: (a) delivered personally; (b) sent by facsimile, with written confirmation of receipt; (c) sent by registered or certified mail, return receipt requested, postage prepaid; or (d) sent by a private industry express courier, with written confirmation of receipt; as follows:

In the case of RDARS, to:

**Charles Zwebner
RDARS Inc.
2 Covington Rd #507,
North York, Ontario, M6A 3E2**

In the case of Easy Aerial, to:

**Attn: Ido Gur
63 Flushing Ave.
Brooklyn Navy Yard, Building 131, Suite 3P
Brooklyn, New York, 11205**

[Redacted: Personal Information]

or to such other address or addresses as a Party may from time to time designate as its address by notice in writing to the other Party. All notices so addressed are effective when received.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate as of the Effective Date.

RDARS Inc.	Easy Aerial Inc.
Signed: " <i>Charles Zwebner</i> " _____ Charles Zwebner, CEO	Signed: " <i>Ido Gur</i> " _____ Ido Gur. CEO

November 1, 2021

Easy Aerial Inc.
Attn: Ido Gur
63 Flushing Ave.
Brooklyn Navy Yard, Building 131, Suite 3P
Brooklyn, New York, 11205
+1 (646) 639-4410

Re: Response to Easy Aerial September 23, 2021 Letter

Dear Mr. Gur:

We have received your September 23, 2021, letter (your "Letter") and, based upon that and our conversation on October 6, 2021, we will further document herein the proposed furtherment of the project at hand which seeks to satisfy both Easy Aerial and RDARS relationship and individual needs in more detail.

The prototype developed by Easy Aerial during 2019 was done with much success. Easy Aerial will now be allocating to RDARS a consultancy arrangement whereby RDARS will establish its own company engineering proficiency for the success of RDARS and Easy Aerial as a shareholder.

.¹ As discussed at our meeting:

A. Easy Aerial agrees to the following:

- 1) To provide to RDARS any completed or work-in-progress base station and applicable hardware for this project and other tangible items and materials for this specific base station in its possession applicable to the Prototype drone-in-a-box unmanned aircraft system ("UAS") that was designed as a prototype product for RDARS in 2019 including but not limited to this specific ground box, spare parts, specific engineering design and schematics, CAD design with assembly in both Step and SOLIDWORKS format suitable for this specific prototype product, parts lists from this prototype product within 2 weeks subsequent to receipt of monies owed to Easy Aerial, Inc. in the amount of \$60,000.00
- 2) To provide to RDARS the prototype drone aircraft and associated hardware for this project and other tangible items and materials for this specific drone aircraft in its possession applicable to the Prototype drone-in-a-box UAS that was designed as a prototype product for RDARS in 2019 including but not limited to any related parts, engineering design and schematics specific to this project, with associated CAD design with assembly in both Step and SOLIDWORKS format from this prototype product, parts lists from this prototype product within 2 weeks subsequent to receipt of monies owed to Easy Aerial, Inc. in the amount of \$60,000.00.

¹ All capitalized terms used in this letter adopt the meaning defined in the parties' Agreement unless otherwise defined herein.

- 3) In connection with the foregoing, Easy Aerial grants to RDARS a non-exclusive, non-transferable, non-sellable, perpetual, license to use the centering mechanism patent owned by Easy Aerial, Inc., for the purpose of demonstrating the Prototype to third parties, as well as manufacturing, subcontracting the manufacture of, importing, exporting, selling, offering for sale, distributing, modifying, and servicing a marketable System or similar drone and/or drone in a box product without restriction as to markets, territories or otherwise for this specific prototype development. Effective upon transfer of such hardware and other related tangible items to this specific prototype development and materials as provided in Paragraph A.1-2, above
- 4) To be clear also, Easy Aerial will not be providing a copy of its proprietary RMS control software to RDARS, but rather RDARS will be developing its own version its control software.
- 5) Notwithstanding the rights granted in Paragraph A.3 above, the rights granted by Easy Aerial under US patents or publications numbers 9,811,083 and 2018/0148170, that are relevant to the RDARS drone and drone in a box system, shall be subject to the payment by RDARS of a royalty in the amount of \$50 per System sold.
- 6) To provide to RDARS up to 250 consulting hours per month, dependent on current engineering requirements at Easy Aerial, Inc. as requested by RDARS for a period of up to 6 months to support the transition of any remaining engineering "know how" to RDARS (for both the hardware and software) that is necessary for the operation of the RDARS system, pursuant to a separate consulting services agreement, including assisting with the setting up of the foundation of RDARS engineering team, tutoring that team about UAS design and fabrication and for general engineering support.
- 7) For the avoidance of doubt, RDARS acknowledges and agrees that completed items and work in process to be provided by Easy Aerial pursuant to this Clause A are supplied by Easy Aerial on an "as is, where is" basis, reflecting Easy Aerial's work through the 2019 prototype demonstration (other than consulting work provided pursuant to paragraph 6) above).

B. In exchange for the actions described in Paragraph A.1-7, above, RDARS agrees to the following:

- 1) Easy Aerial will not continue to develop the RDARS prototype toward Phase II or Phase III
- 2) RDARS will continue to develop its own proprietary software package for the Prototype, subject to Easy Aerial's consulting assistance as set forth in Paragraph A.8, above.
- 3) The resultant proprietary software package developed by RDARS, with the assistance of the Easy Aerial consultancy, together with all hardware systems, (other than the patent described above) shall be considered IP owned by RDARS, and RDARS shall be free to manufacture, subcontract the manufacture of, import, export sell, offer for sale, distribute, modify and service a marketable System or similar drone and/or drone in a box products without restriction as to markets or territories.
- 4) Pay to Easy Aerial the amount of \$60,000 prior to transfer of any item to RDARS, which is the final balance past due for services rendered in completing the hardware described in Paragraph A.1-2.

- 5) Pay to Easy Aerial a rate of \$115 per hour (with potential increases no greater than 10%) for all services rendered pursuant to Paragraph A.8, above, with payment made upon invoice. A \$30,000 credit will be given to RDARS against this consulting services agreement since RDARS advanced \$60,000 towards new engineering plans (50% credit) over a period of 3 months.

As previously noted, RDARS remains open to finding a commercially sensible solution moving forward. Any additional desired collaboration will be discussed outside of this agreement.

Sincerely,

Signed: "*Charles Zwebner*"

Charles Zwebner
CEO & President
RDARS INC.
2 Covington Rd. Toronto, Ontario, Canada
786-564-5602

Hereby Accepted

Signed: "*Ido Gur*"

Ido Gur, CEO
Easy Aerial, Inc.
63 Flushing Ave.
Brooklyn, New York, 11205
(646) 639-4410