

MEMORANDUM OF UNDERSTANDING (MOU)

This Memorandum of Understanding (hereinafter referred to as MOU) is made and entered into in Manipal on this 3rd day of November 2023.

BETWEEN

M/s Sursagar Foundation (for it's skill training division da Vinci International Institute of Design) being a trust having its registered office at 5th Floor, Sanu Palace Building, PVS Circle, M G Road, Kodialbail, Mangalore, 575003 through it's Authorised signatory Mr. Pradip Kumar residing at 8-112f, Sursagar, 2nd Main End, Eshwarnagar, Manipal, Udupi Dist 576104 (hereinafter referred to as "**First Party**") which expression shall unless repugnant to the context or meaning there of shall be deemed to include his / it's legal heirs, legal representatives, executors, administrators and permitted assigns)

AND

M / s Dr. T M A Pai Foundation for it's Manipal Skill Development Center (MSDC) having it's registered office at Dr. TMA Pai Polytechnic Campus, Dairy Road, Eshwarnagar, Manipal, 576104 through it's authorized signatory Brig (Dr) SURJIT SINGH PABLA_ (hereinafter referred to as "**Second Party**") which expression shall unless repugnant to the context or meaning there of shall be deemed to include his / it's legal heirs, legal representatives, executors, administrators and permitted assigns).

(referred herein as "Parties" or individually as "Party")

WHEREAS

- A. The Parties are interested in working together in connection with the purpose which is described in this MOU.
- B. This MOU sets out the initial relationship between the Parties as well as the respective rights and responsibilities of each Party.
- C. Each Party is expected to act in good faith in accordance with this MOU.

NOW THEREFORE THIS MEMORANDUM (MOU) IS WITNESSETH AS FOLLOWS:-

a) PROJECT AND PURPOSE - The parties intend to explore the prospect of working together and/or to actually working together on a project which will be referred to as MSDC- da VINCI CENTER for Animation and Graphics (“The Project”).

b) The Project has the following purpose (“The Purpose”) -

The vision of this collaboration is to start and develop career skill courses in Animation, Visual Effects, Graphics Design, Gaming Design and Development, Web Design and Development, Interior Design, etc.

1. BINDING

The parties hereby acknowledge and agree that the terms of this MOU are intended to be legally binding on the parties hereto.

2. CHANGES TO MOU

a) This MOU may be amended at any time by mutual agreement between the Parties.

b) Any changes to this MOU must be made in writing and signed by Parties.

3. GENERAL OBLIGATIONS

a) The Parties will act in good faith and will use their best endeavors to achieve the purpose and to give effect to the terms of this MOU.

- b) The parties hereby acknowledge and agree that each party will perform respectively all acts and execute all documents as reasonably required in order to give effect to the terms of this MOU.
- c) Each party agrees to cooperate in the spirit of mutual understanding and goodwill in order to develop the parties' relationship with one another and in order to pursue the purpose.

4. ROLES AND RESPONSIBILITIES OF FIRST PARTY

- a) Da Vinci will be the '**Skilling Partner**' for MSDC to design and deliver courses as listed in List of Courses (Schedule 1).
- b) Da Vinci as Skilling Partner is responsible for
 - Providing Course curriculum and updating it every academic year.
 - Guidance related to marketing activities (for this specific center) by MSDC or it's contractors, vendors, consultants etc.
 - Counselling Training for MSDC appointed counsellors.
 - Training and Guidance for any other staff hired by MSDC for this specific center including Center Manager, Admin Assistant, etc.
 - Providing courses list and course fee structure, updated every academic year.
 - Providing Trainers which includes recruitment, onboarding, payment of salary and benefits, etc.

- Conducting Exams and providing certificates for qualified students.
- Complete placement support with a target of above 90% placement year on year.
- Training for trainers and da Vinci staff associated with this center as and when necessary.
- Provide all academic inputs like courses details, progress reports, curriculum etc for MSDC to deal with NSDC (National Skill Development Corporation) or any other certification agencies.
- Guidance on all matters related to center initial set up which includes interiors requirements, sign board design, furniture requirements, Computers requirements and specifications, software requirements, etc.
- Provide formats of various admin forms like enquiry forms, admission forms, enquiry tracker spreadsheet formats, daily sales report formats, certificate request formats.
- Provide SOP (Standard Operating Procedure) manual.

5. ROLES AND RESPONSIBILITIES OF SECOND PARTY

- Building space and utilities like electricity, water and internet, etc.
- All interiors and Furnitures as suggested by the first party.

- Hardware which includes computers and equipment like projector, speakers, pen-tabs, laptops, etc. as and when required.
- Licensed software to conduct training.
- Administration and facility management services like admission process, fees collection, batching, attendance records, all maintenance for building and hardware, cleaning of premises, safety and security, student loan documents, etc.
- Academic Counselling and conversion.
- Accounting services.
- Course schedule progress monitoring.
- Affiliations with NSDC , University, or any other such entities.
- Any quality certification by ISO, etc.
- Admin and counselling staff including Center Manager, Counsellors, Admin staff and marketing staff.
- All marketing activities in order to get leads and meet admission targets.
- Expenses related to any events, celebration , activities, etc.
- Licenses such as trade license and any other government licenses as required.
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6. GENERAL TERMS AND CONDITIONS

- This MOU is based on parties sharing all revenues equally which is termed as 50/50 revenue sharing model.
- All payments from students will be received by MSDC and MSDC will transfer 50% of all receipts to da Vinci every fortnight.
- All expenses towards First Party ROLES and Responsibilities as identified in clause 4.0 will be borne by First Party. All expenses towards Second Party ROLES and Responsibilities as identified in clause 5.0 will be borne by Second Party.
- Both entities will handle all taxes independently as applicable to their individual share of revenues in accordance with law.
- Any student academic and placement grievances will be resolved by da Vinci at own cost. Grievances related to hardware, software, equipment condition, building maintenance, etc. to be addressed by MSDC. The same split also applies to any legal claims by students.
- Building safety, security, insurance, local licenses and permissions, software licenses and administration will be paid and monitored by MSDC. Any legal claims by any stake holders will be resolved by MSDC at their own cost.
- Any additional supplementary revenues will also be shared equally. Eg NSDC incentives, placement fees if paid by companies, incentives paid by companies for products promotion, etc.
- MSDC can exit the MOU with 3 months prior notice and the revenue sharing shall continue till the Agreement termination date. MSDC should not take new admissions for these courses at least for one year from the termination date.

- Da Vinci can exit the MOU with 3 months prior notice. In this case da Vinci should continue to deliver all classes till the course completion of students already enrolled till the date of termination notice served. The revenue sharing for students already enrolled should continue till their course completion date. After the termination notice date MSDC is free to make new admissions, partner with any organization, etc.
- Staff hired by MSDC will be paid by MSDC and manpower hired by da Vinci will be paid by da Vinci. All staff liabilities are split in the same manner.
- Da Vinci shall not enter into a similar deal with any other institution, entity or person in four districts Udupi, Uttara Kannada, Chikkamagaluru and Shivamoga. This will provide exclusive territory rights to MSDC in 4 districts. After signing agreement da vinci shall not make any new admissions in their own Manipal Center. All new enquiries from that date will be directed to MSDC. However da Vinci will maintain its current center office premises as a liaising office.
- Both parties will consult each other for recruitment of any manpower.
- MSDC should nominate single point contact person who will liaise with single point contact of da Vinci.
- Grievances if any to be resolved between parties with mutual discussion.
- Da Vinci will provide weekly reports to MSDC.

7. **CONFIDENTIALITY**

(a) The Parties each hereby acknowledge and agree that in connection with this Memorandum, they may have access to information that is confidential and/or commercially valuable to one or more of the other Parties ("**Confidential Information**").

(b) The Parties each hereby acknowledge and agree that they may be both the receiving party in relation to some Confidential Information ("Receiving Party"),

and the disclosing party in relation to some other Confidential Information ("Disclosing Party") and that the terms of this Memorandum may apply to a Party as both a Receiving Party and as a Disclosing Party, as the context so provides.

(c) For the purpose of this Memorandum, Confidential Information may include but is not limited to:

(I) information of whatever nature relating to the Project or to another Party (whether relating to the Project or otherwise);

(II) any information derived from any other information which falls within this definition of Confidential Information; and

(III) any copy of any Confidential Information.

but does not include information which:

(I) was known or in the possession of the Receiving Party before it was provided to the Receiving Party by the Disclosing Party, provided that it was known or in the possession of the Receiving Party through legal means, and not as a result of any breach of this Memorandum or any other agreement or obligation relating to confidentiality (whether or not the Receiving Party was a party to such other agreement or obligation);

(II) is, or becomes, publicly available, through no fault of the Receiving Party;

(III) is provided to the Receiving Party without restriction or disclosure by a third party, who did not breach any confidentiality obligations by making such a disclosure;

(IV) is provided to the Receiving Party by the Disclosing Party and is marked "Non-Confidential"; or

(V) is required by law or regulation to be disclosed, but in the event that this exception applies, it applies only to the absolute minimum necessary and provided that the Disclosing Party is first consulted to establish whether and if so how far it is possible to prevent or restrict such enforced disclosure.

(d) In relation to any Confidential Information:

(I) the Receiving Party shall keep the Confidential Information confidential/secret.

(II) the Receiving Party shall only use the Confidential Information for the purpose of working in good faith on the Project in accordance with this Memorandum.

(III) the Receiving Party shall not release the Confidential Information to any other party, unless that other party is an advisor who is under a duty of confidentiality, is assisting with the Project, and needs to have the Confidential Information in order to assist with the Project.

(e) If there is any doubt as to whether any particular information constitutes Confidential Information, the Receiving Party should presume it is Confidential Information, until the Receiving Party obtains explicit confirmation from the Disclosing Party that it is not Confidential Information.

(f) Each Party's respective obligations of confidentiality under this clause will survive the termination or expiration of this Memorandum and will continue after that Party ceases to participate in the Project.

8. COMPETITION

(a) Each Party respectively agrees that for the period of time as set out in this clause ("the Time Period") after the Party ceases to participate in the Project, and within the geographical area as set out in this clause ("the Geographical Area"), the Party will not, either directly or indirectly, whether as an employee, partner, sole trader, manager, director, advisor, agent, representative, affiliate, consultant, shareholder, unitholder, trustee, contractor or otherwise, undertake any of the following:

(I) engaging in a business or project which is the same as, similar to or in competition with the Project; or

(II) soliciting, hiring, or attempting to hire any other Parties or any employees or staff that are working in connection with the Project;

(b) For the purposes of this clause, "the Time Period" means, from the date **that the Party ceases to participate in the Project:**

 1 year

(c) For the purposes of this clause, "the Geographical Area" means:

UDUPI, SHIVAMOGA, CHIKKAMAGALURU, UTTARA KANNADA Total 4 Districts

9. INTELLECTUAL PROPERTY

(a) In connection with each Party's participation in the Project, each Party respectively may generate, create, contribute to, write or produce intellectual property ("Project Intellectual Property").

(b) For the purposes of this Memorandum, "Project Intellectual Property" includes but is not limited to:

(I) information, ideas, innovations, developments, improvements, inventions, discoveries, plans, reports, drawings, specifications, advice, analyses, designs, methodologies, code, artwork, or any other intellectual property; and

(II) intellectual-property that results in any way from work performed for or on behalf of the Project (whether performed by the Party or by somebody else); and

(III) intellectual property, whether the Party generates, creates, contributes to, writes or produces that intellectual property:

(A) directly, indirectly, independently or in cooperation or conjunction with another person or persons; and

(B) during the Party's ordinary working hours, or outside of the Party's ordinary working hours; and

(C) at the location where the Party ordinarily participates in the Project, or at some other location.

(IV) intellectual-property that results in any way from the use of resources or assets in connection with the Project, including reference or other materials, personnel, facilities, or other resources; and

(V) intellectual-property that relates in any other way to the Project or any business which is developed in connection with the Project.

(c) Unless otherwise expressly agreed between the Parties, nothing in this Memorandum is intended to create any transfer or assignment of any intellectual property rights in relation to any Project Intellectual Property.

(d) Unless otherwise expressly agreed between the Parties, in the event that a

particular Party generates, creates, contributes to, writes or produces an item of Project Intellectual Property, that Party shall retain any and all intellectual property rights in relation to that item of Project Intellectual Property.

(e) Each Party's respective obligations under this clause will survive the termination or expiration of this Memorandum and will continue after that Party ceases to participate in the Project for a period of 1 year from the agreement.

10. TIMING AND DURATION OF PROJECT

(a) This Memorandum will commence on _03rd November 2023.

(b) The Parties will negotiate in good faith in order to sign a final and legally binding agreement in relation to the Project (the "Agreement") on or before _31st January 2024.

(c) This Memorandum will remain in effect until the Agreement commences, or unless and until otherwise terminated by the Parties.

(d) The Parties may terminate this Memorandum by mutual agreement.

11. CONSEQUENCES OF TERMINATION

(a) In the event that this Memorandum is terminated:

(I) Neither Party will, under this Memorandum, incur any financial liability to the other Party; and

(II) Notwithstanding the preceding sub-clause hereof, either Party may incur liability towards the other Party in connection with matters outside of this Memorandum, which may include but are not limited to liability in relation to breach of contract, tort, or equity.

(III) In the event that either Party is in possession of any equipment, materials, documents, intellectual property, data or other information ("Items") that are the property of the other Party, then either Party must promptly return all Items to the other Party, or destroy any Items if directed to do so by the owning Party.

12. EXCLUSIVITY

Each Party (which, for the purpose of this clause is referred to as the "Representing Party") hereby represents to the other Party that:

(I) While this Memorandum is in effect, the Representing Party will not, directly or indirectly:

(A) Engage in any Third Party Discussions; or

(B) Invite, encourage, seek or otherwise solicit any Third Party to engage in Third-Party Discussions; or

(C) Respond to any invitation or solicitation from any Third Party in relation to any Third Party Discussions (except to explicitly reject such invitation or solicitation); or

(D) Enter into any agreement, memorandum of understanding, heads of agreement, letter of intent, or other arrangements with any Third Party in relation to any Third Party Discussions (whether legally binding or non-binding).

(II) Will comply as below

(a) The Representing Party will ensure that any employee, agent, advisor, contractor or other representatives of the Representing Party also complies with the obligations under this clause.

(b) For the sake of clarity, "Third Party Discussions" do not include discussions or negotiations in which the Representing Party may engage with any Third Party in order to pursue the Purpose in good faith and in the spirit of this Memorandum.

13. COSTS

Unless otherwise expressly provided in writing, each Party is responsible for its own costs of complying with this Memorandum and in connection with the performance of its obligations under this Memorandum.

14. FORCE MAJEURE

If and to the extent that a Party's performance of any of its obligations under this MOU, hindered or delayed by fire, flood, earthquake, elements of nature or acts of God, Pandemic, acts of war, terrorism, riots, civil disorders, rebellions or revolutions, or any other similar cause beyond the reasonable control of such Party (each, a "Force Majeure Event"), and such non-performance, hindrance or delay could not have been prevented by reasonable precautions, then the non-performing, hindered or delayed Party will be excused for such non-performance, hindrance or delay, as applicable, of those obligations effected by the Force Majeure Event for as long as such Force Majeure Event continues and such Party continues to use its best efforts to recommence performance whenever and to whatever extent possible without delay, including through the use of alternate sources, workaround plans or other means. The Party whose performance is prevented, hindered or delayed by a Force Majeure Event will immediately notify the other Parties of the occurrence of the Force Majeure Event and describe in reasonable detail the nature of the Force Majeure Event.

If the Force Majeure Event continues for a continuous period exceeding 30 (thirty) days, the Parties shall mutually agree on the future course of action. However, despite all efforts made by the Parties in good faith, if the Force Majeure Event continues for a period of 90 (ninety) days, either of the Parties shall have the right to terminate this MOU by giving the other Parties notice of termination in writing.

15. INDEMNITY

Each Party ("Indemnifying Party") hereby agrees to indemnify the other Party from all damages, costs, attorney's fees or other losses arising out of or relating to:

- (a) breach of this MOU by the Indemnifying Party;
- (b) breach of any representation or warranty by the Indemnifying Party.

16. SEVERABILITY

If any provision of this MOU shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this MOU shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Any

invalid or unenforceable provision of this MOU shall be replaced with a provision that is valid and enforceable and most nearly gives effect to the original intent of the invalid/unenforceable provision.

17. ENTIRE AGREEMENT

This MOU constitutes the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes any and all prior negotiations, correspondence, agreements, understandings duties or obligations between the Parties with respect to the subject matter hereof.

18. NO OTHER RIGHTS GRANTED

Nothing in this MOU is intended to grant any rights under any patent, copyright or other intellectual property rights of any Party in favour of the other, nor shall this MOU be construed to grant any Party any rights in or to the other Party's Confidential Information, except the limited right to use such Confidential Information in connection with the Project under this MOU.

19. AMENDMENTS

Any change, alteration, amendment, or modification to this MOU must be in writing and signed by authorized representatives of both Parties.

20. DISPUTE RESOLUTION

(a) Any dispute(s) arising out of this MOU shall, as far as possible, be settled amicably between the Parties hereto failing which the following shall apply:

(b) An independent Arbitrator acceptable to both parties to be appointed. The decision of the arbitrator should be acceptable to both parties.

(b) The courts in _UDUPI shall have exclusive jurisdiction over any dispute, differences or claims arising out of this MOU.

(c) If either Party employs attorneys to enforce any rights arising out of or relating to this MOU, the prevailing Party shall be entitled to recover reasonable costs and attorneys' fees.

21. GOVERNING LAW

This MOU and all issues arising out of the same shall be construed in accordance with the laws of India.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SUBSCRIBED THEIR HANDS ON THE DAY, MONTH AND YEAR AS GIVEN HEREIN ABOVE

1. Name of the First Party M/s SURSAGAR FOUNDATION

Authorised Signatory Name PRADIP KUMAR

Authorised Signatory Signatute

2. Name of the Second Party Dr. T M A PAI FOUNDATION

Authorised Signatory Name Brig (Dr) SURJIT SINGH PABLA

Authorised Signatory Signatute

WITNESS 1 NAME

SIGNATURE

WITNESS 2 NAME

SIGNATURE

SCHEDULE 1

The program offerings are Listed below

Courses

2 YEARS

Advance Skill Diploma in VFX (Visual Effects)

Advance Skill Diploma in 3D Animation

1 YEAR

Skill Diploma in Interior Design

Skill Diploma in Web Design & Development

Skill Diploma in VFX (Visual Effects)

Skill Diploma in 3D Animation

Skill diploma in 2D animation

Skill Diploma in gamedesign And development

6 MONTHS

Certificate in Graphic Design

certicatein game design

Certificate in Web Design

Certificate in Photo & Videography

AGREED COURSE FEES (for first year only).

1. 6 MONTHS COURSES - 35,000 + 5000 ADMISSION FEES
2. 1 YEAR COURSE - 65,000 + 5000 ADMISSION FEES
3. 2 YEARS COURSE - 1ST YEAR 65,000 + 5000 ADMISSION FEES

2nd Year – 140,000