

AGENCY AND ESCROW AGREEMENT

This agency and escrow agreement (hereinafter the "Agreement") is made by and between

- (1) **Ministry of Foreign Affairs and Trade** (registered seat: Bem rakpart 47. 1027 Budapest, Hungary) ; registry number: 15311344-1-41; represented by: Dr. Csaba Balogh, Minister of State) (hereinafter referred to as "**Principal**"); and
- (2) **Cathay Advisory Limited** (registered seat: RMS 05-15, 13A/F, South Tower, World Finance Center, Harbour City, 17 Canton Road, TST KLN, Hong Kong; registration number: 2490526; represented by Pascal Demko director) (hereinafter referred to as "**Cathay**").

RECITALS

- (A) **WHEREAS**, Principal – as a result of the COVID-19 pandemic ("**Covid**") – is in urgent need of integrated invasive respiratory work stations ("**Ventilators**") in Hungary. One of the countries with certain excess capacity for Ventilators is China but since the Covid has a global impact there is a continuously growing demand for the Ventilators all around the world.
- (B) **WHEREAS**, Cathay – as a global one-stop-shop advisory platform with offices in 88 countries – has a valuable network of business contacts worldwide, with especial regard to China with direct presence and access to potential suppliers/manufacturers ("**Manufacturer**") of Ventilators.

NOW, THEREFORE, in consideration of the recitals and mutual covenants contained in this Agreement, the Parties agree as follows:

1. **Subject of the Agreement.** The Principal retains Cathay as an agent for Principal on a best efforts basis to identify Ventilator Manufacturers for Principal in China and – subject to the prior written consent of Principal – purchase such Ventilators for Principal.
2. **Establishment of the Escrow Agent.** Due to the globally growing demand for the Ventilators, time is of essence when proper Ventilators were identified by Cathay and immediate – advance of full payment – is required to secure the given purchase. Accordingly – by the mutual execution of this Agreement – Principal will transfer 4.940.000 USD and 2.800.000 EUR ("**Funds**") immediately and directly to Cathay and Cathay will in a given way act as an Escrow Agent as directed by Principal as the buyer of the Ventilators.

Bank account details:

- Account holder: Cathay Legal Limited
 - Account number: \
 - SWIFT: HSBCHKHCHK
 - Bank: HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
 - Bank address: 1 Queen's Road Central, Hong Kong
3. **Escrow Period.** The escrow period ("**Escrow Period**") shall begin with the transfer of the Funds and shall terminate upon the earlier to occur of the following dates:
 - (a) the date on which Cathay uses the funds for the purchase of Ventilators; or
 - (b) the date on which the Principal notify the Escrow Agent that the co-operation has been terminated in writing.
 4. **Separate agreement if purchase is made.** Should Cathay buy Ventilators from the Funds (using the Funds partially or fully) for Principal then the Parties are to enter into a separate agency agreement setting forth the terms and conditions of the purchase of the Ventilators by Principal with the intermediation of Cathay. Principal acknowledges that at the time of the execution of this Agreement Cathay already identified and engaged in negotiations with several Manufacturers and the technical specification of the Ventilators that such Manufacturers may supply is attached to this Agreement as

Exhibit 1. Principal represents that the technical specifications of Ventilators described in Exhibit 1 meet with Principal's requirements.

5. **Term and termination of the Agreement**

This Agreement shall enter into force upon the day of its execution and remain in effect for an indefinite period of time. Each Party to this Agreement has the right to terminate this Agreement with a 90 day notice period. This Agreement may be terminated with immediate effect upon the written notice by any of the Parties if the other Party has violated any material laws and regulations or in the event of any material breach of any of the covenants contained therein by the other Party, provided that such breach is not cured within fifteen (15) days from the date of written notice thereof by the non-breaching Party. In case of termination any unused part of the Funds is to be repaid to Principal with immediate effect.

6. **Miscellaneous Provisions**

6.1 Each Party shall act as an independent contractor. The relationship created under this Agreement is not, and shall in no way be regarded or represented to third parties as being a corporation, joint venture or other entity or scheme of any kind creating or susceptible of creating joint or joint and several liability among the Parties hereto.

6.2 This Agreement may only be amended in writing with the mutual agreement of the Parties.

6.3 The invalidity of any of the terms of this Agreement shall not affect the validity of the other terms hereof. The Parties shall replace, within thirty (30) days from the receipt of the relevant request to do so, the invalid term with another term which is as close as possible to the purpose and legal and business objective of the invalid term.

6.4 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong. Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.

Ministry of Foreign Affairs and Trade, Hungary

Signature: _____

Name: Dr. Sasva Balogh
Position: Minister of State
Date: 27th of March, 2020

Sasva Balogh
B/31.

Cathay Advisory Limited

Signature: _____

Name: Pascal Demko
Position: director
Date: 27/03/2020

Magyar András
főosztályvezető

Jogilag ellenjegyzem: _____

Dr. Vétek Attila
főosztályvezető – JFD

Jelen szerződés aláírására és ellenjegyzésére a nemzetközi egészségügyi veszélyhelyzet kezelése és a koronavírus elleni védekezés érdekében – az aktuális piaci viszonyokra figyelemmel - a beszerzés kivételes sürgősségének elsődlegességére tekintettel, a 48/2020. (III. 19.) Korm. rendelet alapján került sor.