MINISTRY OF HEALTH, GHANA

AND

FLY ZIPLINE GHANA LIMITED

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SERVICE AGREEMENT
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THIS SERVICE AGREEMENT (hereinafter called “the Agreement”), is made the _________day of ______________________, 20___ BETWEEN:

1. THE MINISTRY OF HEALTH, GHANA, representing the Government of Ghana (hereinafter called “the “MoH”) acting through the Honourable Minister, of the one part; AND

2. FLY ZIPLINE GHANA LIMITED a Ghanaian company (hereinafter called “Zipline”) acting per its Director, Nicholas Hu, of the other part.

A. WHEREAS MoH acting on behalf of the Government of Ghana seeks to increase the access of its citizens to blood and medical products and to increase private sector involvement in health services delivery;
B. WHEREAS Zipline has developed an innovative, first-of-its-kind autonomous Remotely Piloted Aircraft System (hereinafter called “the “RPAS”) for delivery of blood and medical products to health facilities;
C. WHEREAS MoH and Zipline wish to enter into this Agreement for the implementation of a Zipline RPAS for the delivery of blood products, medicines, vaccines and other products to health facilities in Ghana (hereinafter called “the “Service”); and
D. WHEREAS this Agreement sets out the terms and conditions pursuant to which Zipline and MoH will collaborate to implement the RPAS, and Zipline will provide the Service and MoH will purchase the Service.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

1. DEFINITIONS

Each of the following capitalized terms used in this Agreement has the meaning ascribed to it below unless a different meaning is expressly attributed to it:

“Activation Date” means, for a given Health Facility, the date on which Zipline has provided notice to MoH that the Zipline is prepared to make Delivery of Medical Products to such Health Facility, and MoH confirms such notice in writing as set forth in Section 5.1 (Phasing);

“Affected Party” has the meaning set forth in Section 13.1 (Definition of Force Majeure);
“Affiliate” means, with respect to any specified person, any other person that directly, or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with such specified person, where “Control” means the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities (in which case such ownership will be greater than fifty percent (50%)) or majority voting rights, or the power to appoint or remove or cause the appointment or removal of the directors or other governing body of such person;

“Agreement” means this Agreement;

“Available Capacity” means a maximum of one hundred and fifty (150) flights per 24-hour period, with a maximum of fifty (50) of those flights during Night Hours, which is the maximum daily available capacity for Deliveries that Zipline shall make available, during Operating Hours, from each Distribution Center;

“Claim” means any claim, suit, action, demand or proceeding.

“Cure Period” has the meaning given to that term in Section 14.4 (Cure Period);

“Day Hours” shall mean the hours between 07:00 and 19:00 each day.

“Delivery” means transportation of a Delivery Payload from a Distribution Center to a Drop Zone location close to a Health Facility, as further described in Section 4.3 (Deliveries);

“Delivery Payload” means any authorized Medical Product payload, in a quantity weighing at most one and three-quarters (1.75) kilograms and with volume of at most nine (9) litres including Zipline packaging;

“Demonstration Delivery” means a delivery that is a condition precedent to achievement of the Activation Date for a Health Facility, as set forth in Section 5.1 (Phasing);

“Dispute” has the meaning given to that term in Section 16.1 (Good Faith Resolution);

“Distribution Center” means a Zipline-owned and -operated facility at which Medical Products will be stocked and from which Zipline shall make Deliveries.

“Distribution Center Sites” means the real property (land) on which Zipline will install and operate its Distribution Centers;
“Drop Zone” means a safe and obstruction free location close to a Health Facility, which is at least eight (8) meters wide by eight (8) meters in length, and which is mutually designated by Zipline and the supervisors of that Health Facility;

“Effective Date” means the date that this Agreement has been approved by Parliament;

“Emergency Order” means an Order for which the Health Facility indicates that there is a medical emergency;

“Environmental Regulations” means any Law of Ghana, which has as its purpose or effect the protection or the prevention of harm or damage to the environment or to provide remedies in relation to harm or damage to the environment;

“Event of Default” means either a MoH Event of Default or a Zipline Event of Default;

“Event of Default Notice” has the meaning given to that term in Section 14.3 (Event of Default Notice);

“Excluded Area” means any area in Ghana over which a RPAS is not allowed to fly;

“Expiring Medical Product” means Medical Products which are close to the end of their useful life (a period to be mutually agreed between the parties) and which may be returned by Zipline to the MoH, and which on Zipline request must be collected by the MoH at the Distribution Centers;

“Force Majeure Event” means an event specified in Section 13.1 (Definition of Force Majeure);

“GCAA” means the Ghana Civil Aviation Authority;

“GCAA Approval” means the relevant Government Approval from the GCAA in connection with any aspect of the Service;

“Government Approval” means any permission, license, authority, approval or consent of any administration, agency, ministry, regulator, quasi-governmental body or other competent authority, which is required by Zipline to enable it to undertake the Service in accordance with the provisions of this Agreement;
“Health Facility” means a hospital, health clinic, maternity home, CHPS Compound, or other facilities operated or identified by MoH;

“Import Duty Service Fee Adjustment” shall have the meaning given in Section 6.1 (Service Fee);

“Laws of Ghana” shall have the meaning given in Article 11 of the 1992 Constitution of Ghana;

“Losses” means any and all direct, indirect or consequential damages, fines, penalties, deficiencies, liabilities (including settlements and judgments), costs, expenses (including reasonable attorneys' fees and court costs) and disbursements;

“Material Adverse Effect” means with respect to a Party an effect that is materially adverse to the business, financial condition, or results of operations of such Party (or its Affiliates), taken as a whole;

“Material Respect” means with respect to an inaccuracy in a statement, representation or warranty, that there is a substantial likelihood that a reasonable contract partner would consider such inaccuracy important in deciding whether or not to enter into a proposed contract;

“Medical Product” means blood, medicine, vaccine, or any medical product of weight, size, and other characteristics appropriate for Delivery by Zipline;

“Medical Product Delivery Loss Report” means an electronic report sent from a Health Facility to Zipline (in the form of a filled web form, email, or SMS, to be mutually agreed by the Parties), within the Medical Product Delivery Testing Window, indicating the delivery of a Medical Product that does not satisfy the requirements of the relevant Medical Product Test;

“Medical Product Delivery Testing Window” means a period of thirty (30) minutes or less after the Delivery of a Medical Product, within which a Medical Product Test must be completed in order for the testing result to be valid;

“Medical Product Resupply Request” means a request submitted by Zipline to the MoH to provide one or more Medical Products to Zipline at a Distribution Center;

“Medical Product Return Request” means a request issued by Zipline to the MoH to retake custody of an Expiring Medical Product at a Distribution Center;
“Medical Products Stock List” means the list of Medical Products that shall be stocked at each Zipline Distribution Center, which list shall be created according to the terms and conditions of Section 4.5 (Selection of Medical Products);

“Medical Product Test” means a test of a Medical Product performed according to one or more of the protocols (separately carried out for blood and medicines) to be agreed to by the Parties, which protocols shall determine whether the Medical Product has been harmed while under Zipline’s control;

“MoH Event of Default” has the meaning given to that term in Section 13.1 (MoH Event of Default);

“Monthly Adjusted Service Fee” has the meaning given in Section 6.1 (Service Fee);

“Monthly Base Service Fee” has the meaning given in Section 6.1 (Service Fee);

“Monthly Gross Service Fee” has the meaning given in Section 6.1 (Service Fee);

“Night Hours” means the hours between 19:00 and 07:00 each day.

“On-Time Payment Discount” has the meaning given in Section 6.2 (On-Time Payment Discount);

“Operating Hours” means seven (7) days per week and twenty-four (24) hours per day, except that the Operating Hours exclude hours when the prevailing conditions within the serviced area are outside of the System Operating Parameters, and hours during which Zipline is conducting facility or system maintenance;

“Order” means an MoH-authorized request for Delivery of one or more Medical Products that can fit within one or more Delivery Payloads and which may require one or more delivery flights to fulfill, submitted by a Health Facility to Zipline’s order management system in accordance with the phasing provisions of Section 5.1 (Service Phasing), received by Zipline during Operating Hours, and which Zipline is not prevented from fulfilling due to the absence of Zipline System Operating Parameters;

“Party” means “the MoH” or “Zipline”;

“Phase” means one of several periods during which the Parties shall cooperate to implement the Service, as set forth in Schedule 2;
“Prudent Industry Practice” means the exercise of that degree of skill, diligence and prudence which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances applying international standards generally adopted by operators;

“RPAS” means the autonomous remotely piloted aircraft system to be deployed for the Delivery of Medical Products and meeting the specifications set out in Schedule 3, it being acknowledged and agreed that Zipline will change such specifications as it updates its technology, provided that Zipline provides an RPAS with specifications no less favorable to MoH than those set forth in Schedule 3;

“Service” has the meaning set forth in the Recitals;

“Service Fee” means the monthly fee to be paid by MoH to Zipline in accordance with Section 5.1 (Service Fee).

“Service Period” means the time period starting from the beginning of Phase 1 at Zipline’s first Distribution Center and ending on the date that is four (4) years after such date.

“Service Range” means any area that is within a distance of eighty (80) kilometers from a Distribution Center, and not within an Excluded Area.

“Setup Phase” means the time period between execution of the Agreement and the beginning of Phase 1, during which period MoH shall have no obligation to pay Zipline the Service Fee.

“Signature Date” means the date this Agreement is signed by the last of the Parties to sign the Agreement;

“Successful Delivery” means a Delivery for which Zipline does not receive a valid Medical Product Loss Delivery Report.

“System Operating Parameters” means the conditions under which the RPAS shall operate, which are: winds less than gale force (less than fourteen (14) meters per second), any precipitation less than violent rain (less than fifty (50) millimeters of rain per hour), no lightning, non-icing conditions, and temperatures less than thirty-five (35) degrees centigrade;
“UAV” means a fixed-wing aircraft propelled by two propellers in coaxial configuration, powered by electric motors fed by a lithium ion battery, and controlled by custom circuit board running proprietary software;

“USD” means the United States Dollar;

“VAT” means the Value Added Tax in Ghana;

“Work Visa” means a Government Approval that permits or facilitates the employment of Zipline personnel (including employees of Zipline Affiliates) for the purposes of performing this Agreement; and

“Zipline Event of Default” has the meaning set forth in Section 14.2 (Zipline Event of Default).

2. APPOINTMENT: GRANT OF RIGHT

MoH, acting on behalf of the Government of Ghana, hereby appoints Zipline as a non-exclusive transporter of Medical Products to the Health Facilities, with the right and authority to: own, operate, and maintain the RPAS in Ghana throughout the Term; hold lease or own the Distribution Centers Sites as set forth in Section 7.2 throughout the Term; and provide the Service.

3. TERM

The rights and obligations of the Parties under this Agreement shall run for a period (hereinafter called “the Term”) starting from the Effective Date and ending at the end of the Service Period.

The MoH may request an extension of the Term by the provision of at least sixty (60) days' advance written notice to Zipline any time prior to the end of the Term, and Zipline shall consider such request in good faith, it being acknowledged and understood that neither Party shall have the obligation to agree to any such extension of the Term.

4. INSTALLATION AND OPERATION OF RPAS

4.1 The RPAS. Zipline shall develop, finance, design, engineer, supply, construct, install, operate, and maintain the RPAS in accordance with the specifications set forth in Schedule 3 (RPAS Specifications), the
Service Operating Parameters, the other terms and conditions of this Agreement, and all applicable Laws of Ghana, including but not limited to GCAA standards and the National Security regulations (as applicable).

4.2 Distribution Centers. As part of its RPAS in Ghana, Zipline shall develop, finance, design, engineer, supply, construct, install, operate, and maintain at least four (4) Distribution Centers. The Distribution Centers shall be installed on Distribution Center Sites acquired by Zipline pursuant to Section 7.2 (Lease of Distribution Center Sites), and located in the vicinity of the locations depicted in Schedule 1 (which Schedule may be revised by mutual agreement of the parties).

4.3 Deliveries. Upon receipt of an Order from a Health Facility that has achieved its Activation Date, Zipline shall make Delivery of the requested Medical Product(s) via its RPAS to a Drop Zone at such Health Facility. Zipline’s obligation to make Deliveries shall be capped at the Available Capacity, such that Zipline shall have no obligation to make Deliveries in excess of the Available Capacity on any day or to reserve to MoH any capacity in excess of the Available Capacity; provided, however, that if MoH requests such excess deliveries from time to time, and in times of accidents or national disaster, and Zipline has additional capacity available, Zipline shall make such deliveries on an as-available basis at no additional charge to MoH.

4.4 Delivery Time Commitment. Zipline shall ensure that Medical Products are delivered within:

(a) an average of one (1) hour or less from the time of receipt for an Emergency Order received during Day Hours to the time of first Delivery responsive to such Emergency Order;

(b) an average of two (2) hours or less from the time of receipt for an Emergency Order received during Night Hours to the time of first Delivery responsive to such Emergency Order; and

(c) an average of four (4) hours or less of the time of receipt for all other Orders to the time of first Delivery responsive to that Order.

4.5 Selection of Medical Products. No later than thirty (30) days after the Signature Date, Zipline and MoH shall meet to finalize the Medical Products Stock List. During the Term, Zipline or MoH shall have the option to revise the Medical Product Stock List by adding, removing, or
substituting Medical Products, in order to maximize the value to MoH of Zipline’s Services, as well as to ensure that the number of Orders received for Medical Products on the Medical Products Stock List does not regularly exceed the Available Capacity, provided that any Medical Products added to the Medical Product Stock List shall meet Zipline’s Delivery Payload requirements. Any such changes shall be made by written notice to the other Party, and shall take effect on the first day of the month following the month in which such change is made.

4.6 **Stocking of Medical Products.** Conditional on MoH’s fulfillment of its obligations to re-stock Zipline’s Distribution Centers with Medical products under Section 7.1 (Re-stocking of Medical Products), Zipline shall keep each of the Medical Products on the Medical Products Stock List in stock at each Distribution Center from the date such Health Facility begins Phase 1 (as defined in Section 5 (Service Ramp-Up) through to the end of the Term. Zipline shall store each Medical Product in accordance with the manufacturer’s instructions and Prudent Industry Practice.

4.7 **Liability for Loss of Medical Products.** The Medical Products provided to Zipline by MoH shall at all times remain the property of MoH (or, if owned by another Government or parastatal entity, of such other entity), but liability for loss of the Medical Products shall pass from MoH to Zipline when possession of the Medical Products has been transferred to Zipline at a Distribution Center. Liability shall revert to MoH or the Government or parastatal entity, as the case may be, in three (3) cases:

(a) after Successful Delivery of the Medical Products to the Health Facilities;

(b) after Zipline has made a Medical Product Return Request for an Expiring Medical Product and the MoH has retaken custody of that Expiring Medical Product

(c) after MoH or Zipline has made a Medical Product Return Request for any Medical Product and the MoH has retaken custody of that Medical Product.

4.8 **Insurance.** Zipline shall obtain and maintain reasonable insurance policies and, upon the request of the MoH, provide certificates evidencing that such insurance policies are in effect.
4.9 **Responsibility for Cost of Service.** Except as herein provided, all costs of Zipline in connection with the Service shall be borne by Zipline, and Zipline shall be responsible for arranging all necessary funding including any available preferential credit.

4.10 **Government Approvals: Compliance with Law.** Zipline shall use commercially reasonable efforts to acquire all Government Approvals required for the installation of the RPAS and provision of the Service and, upon the request of the MoH, submit proof that such Government Approvals are in effect. Zipline’s installation, operation, and maintenance of the RPAS (including but not limited to Zipline’s operation of Delivery flights) shall adhere to and observe at all times relevant civil aviation standards, practices and regulations which are then in force in Ghana, National Security Regulations (as applicable), and all standards and practices concerning the protection of health and safety and the Environmental Regulations which are then in force in Ghana.

4.11 **Parliamentary Approval.** MoH shall use its best efforts to obtain approval of this Agreement by the Parliament of Ghana in accordance with the 1992 Constitution of Ghana as soon as reasonably practicable after the execution of this Agreement, with a goal of obtaining approval by 31st October, 2018.

4.12 **Agreement Conditional on Parliamentary Approval.** Notwithstanding any provision herein to the contrary, this Agreement shall not take effect until Parliamentary approval.

4.13 **Other Government Approvals.** Zipline’s obligations are conditional on the receipt of other Governmental Approvals described in Sections 4.10 and 4.11 (Government Approvals; Parliamentary Approval). Zipline shall have no obligation to make any Delivery for which it has not received a required Government Approval. The Parties acknowledge and agree that Zipline cannot guarantee the pricing set forth in this agreement or the availability of Zipline equipment if Parliamentary approval or other Government Approvals are not obtained by 31st October, 2018. Accordingly, in the event that (i) Parliamentary approval is not received by such date or (ii) other Government Approvals necessary for the installation of the RPAS and provision of the Service are not received within six (6) months of the Effective Date, Zipline shall have the option, exercisable in its sole and absolute discretion, to terminate this Agreement, and in the event of such termination, neither Party shall
have any further obligations or liabilities to each other, except as set forth in Section 14.11, or as mutually agreed by the Parties in a new agreement setting forth an increased Service Fee for the provision of the Services.

4.14 **Regional Training Center.** Zipline shall establish a regional training center in Ghana for the training of Zipline employees who will work at Distribution Centers operated by Zipline or its Affiliates in other countries in West Africa.

5. **SERVICE RAMP-UP**

5.1 **Phasing.** The Service provided by Zipline shall be implemented in Phases as follows:

(a) Upon the Effective Date the “Setup Phase” shall begin.

(b) When Zipline is ready to achieve the Activation Date for a Health Facility, Zipline shall provide MoH at least three (3) business days’ advance notice of the date and time on which Zipline intends to make a Demonstration Delivery to such Health Facility, and MoH or the Health Facility personnel shall witness such demonstration Delivery. If such Demonstration Delivery meets the Terms and Conditions of this Agreement (including applicable requirements regarding the Order process, Delivery times, and compliance with all applicable Laws of Ghana and Government Approvals), the Activation Date for such Health Facility shall be the date on which such successful demonstration Delivery occurred, and MoH shall confirm such date in writing.

(c) Upon the Activation Date of the initial number of Health Facilities set forth in Schedule 2 (Service Phasing) as a condition precedent to the initiation of Phase 1 for each Distribution Centre such Phase shall begin.

(d) Upon Activation Date of the additional number of Health Facilities set forth in Schedule 2 (Service Phasing) as a condition precedent to each of the additional Phases for each Distribution Centre, as evidenced by Zipline’s completion of at least one demonstration or commercial delivery to each such health facility, such phase shall begin.
5.2 **Orders Allowed.** Each Health Facility that has achieved its Activation Date may place Orders for any Medical Product, subject to the Available Capacity limitation set forth in Section 4.3 (Deliveries) and MoH’s compliance with its re-stocking obligations. Zipline shall have no obligation to fulfill Orders received from a Health Facility that has not achieved its Activation Date.

5.3 **Activation of Additional Health Facilities During Full Operations.** After Zipline achieves the conditions precedent for the Full Operations Phase, Zipline and MoH shall cooperate to activate all Health Facilities within Service Range as necessary.

5.4 **Test Deliveries During Setup Phase.** During the Setup Phase, Zipline and MoH will cooperate to conduct test Deliveries to selected Health Facilities, and Zipline shall have the obligation to make such Deliveries, and MoH shall have no obligation to pay for any such test Deliveries that Zipline elects to make.

5.5 **Deliveries During Night Hours.** Zipline shall use commercially reasonable efforts to obtain all Government Approvals necessary to make Deliveries during Night Hours, and MoH shall cooperate with such efforts as set forth in Section 7.3 (Government Approvals). If such Government Approvals are obtained, Zipline will begin fulfilling Orders received during Night Hours as soon as it has developed the operational capacity to do so, but in any case not later than three (3) months from the date of (i) Zipline’s achievement of Phase 1 at a Distribution Center and (ii) Zipline’s receipt of Government Approvals for Deliveries during Night Hours.

6. **SERVICE FEE**

6.1 **Service Fee.** On the commencement of Phase 1 as set forth in Section 5.1(b), MoH shall, for every month of the Term until the end of the Term, pay the Service Fee to Zipline as set forth in the Agreement. The Service Fee shall be calculated as follows:

(a) For each month of the Term, the “**Monthly Base Service Fee**” shall be the sum of the Monthly Base Service Fee set forth in Schedule 2 for each Distribution Center, given (i) the Phase each such Distribution Center has achieved at the beginning of such month and (ii) whether each such Distribution Center offers Deliveries
during Night Hours as set forth in Section 5.5 (Deliveries during Night Hours). For the avoidance of doubt, the Monthly Base Service Fee for any Distribution Center that remains in the Setup Phase shall be USD0.00, and any test deliveries agreed to by Zipline and MoH during such Setup Phase will be made by Zipline free of charge; or

(b) The “Monthly Adjusted Service Fee” shall be equal to the Monthly Base Service Fee plus the Import Duty Service Fee Adjustment. The “Import Duty Service Fee Adjustment” shall be calculated as: the actual amount of import duties and taxes paid by Zipline to the Government of Ghana as a condition precedent to the import into Ghana of equipment required by Zipline for the performance of Zipline’s obligations under this Agreement, and documented by Zipline to MoH (or if actual amounts are not known prior to Zipline’s initiation of Phase 1 at the first Distribution Center, the estimated amount as documented by Zipline to MoH’s reasonable satisfaction), divided by forty-eight (48), which is number of months during which Zipline will be paid for Service under this Agreement. For the avoidance of doubt, if the MoH obtains exemptions for the import of Zipline equipment from applicable import duties and taxes, the Monthly Adjusted Service Fee shall be equal to the Monthly Base Service Fee; or

(c) The “Monthly Gross Service Fee” shall be equal to the Monthly Adjusted Service Fee plus applicable VAT. For the avoidance of doubt, if the MoH obtains exemptions for Zipline’s Service from VAT only, but not exemptions for the import of Zipline equipment from applicable import duties and taxes, then the Monthly Gross Service Fee shall be equal to the Monthly Adjusted Service Fee.

6.2 On-Time Payment Discount. Provided that MoH paid the previous month’s Service Fee by the deadline set forth in Section 6.5 (Invoices), the On-Time Payment Discount set forth in Schedule 2 shall be deducted from the Monthly Service Fee.

6.3 Nature and Intent of Service Fee. The Service Fee is a fixed monthly amount, not a per-Delivery fee. In exchange for the Service Fee, Health Facilities receive unlimited access (up to the Available Capacity limitation) to Delivery of any Medical Product within the Delivery Time Commitment set forth above. Accordingly, the Monthly Service Fee shall be paid to Zipline irrespective of whether the MoH fully utilizes the Available Capacity in any given month.
6.4 **Currency.** The Service Fee shall be payable in United States Dollars.

6.5 **Invoices.** By the first week of each month, Zipline shall issue to the MoH an invoice for the Monthly Service Fee for such month, which the MoH shall pay not later than the fifteenth day of the next month.

6.6 **Interest on Late Payments.** MoH will pay annualized interest at the lower of: (i) twenty percent (20%) and (ii) the maximum amount allowed by law on any overdue amount, compounding monthly beginning the day after the final day of the Payment Period of an invoice if MoH has failed to pay the relevant invoice in full within the Payment Period.

7. **OBLIGATIONS OF MOH**

7.1 **Re-Stocking Medical Products.** MoH shall fulfill Medical Product Resupply Requests in the time and quantities necessary for Zipline to meet its obligations under this Agreement and fulfill Medical Product Return Requests in the time necessary to avoid expiration of the Expiring Medical Products. MoH shall work with Zipline to establish recommended stocking levels for the respective Medical Products on the Medical Product Stock List at each Health Facility, and support Zipline efforts to reduce the waste of Medical Products.

7.2 **Leases for Distribution Center Sites.** The Distribution Center Sites shall be located in the vicinity of the locations identified in Schedule 1, or at such other locations as may be agreed on by the Parties. The Distribution Center Sites may be located either (i) on land leased or purchased by Zipline from private parties or (ii) on land leased or purchased by Zipline from the Government of Ghana. If Zipline elects to lease one or more Distribution Center Sites from private party, MoH shall, for each such Distribution Center, reasonably assist Zipline to acquire such lease(s). If Zipline elects to request land for one or more Distribution Center Sites from the Government of Ghana, MoH shall use reasonable efforts to lease to Zipline land for a Distribution Center Site that is: (i) in the general vicinity of the Distribution Center’s location as designated in Schedule 1 (Distribution Center Sites); and (ii) meet Zipline’s requirements, in Zipline’s sole and absolute discretion, for its Distribution Center Sites, including availability of electricity and other utilities at reasonable cost, clear launch and recovery flights paths, proximity to reasonable housing accommodations for local employees, and proximity to good road access for re-stocking of Medical Products.
If so requested by Zipline, MoH and Zipline shall collaborate and MOH shall facilitate the execution of leases and all other documents required (if any) to convey to Zipline exclusive rights to each Distribution Center site for at least the period necessary for Zipline to discharge its obligations under this Agreement and, such documents shall contain reasonable and customary provisions mutually acceptable to the Parties.

7.3 **Government Approvals.** MoH shall use all reasonable efforts to assist Zipline to obtain each Government Approval and Work Visa necessary for it to perform any of its obligations and/or to exercise any of its rights under this Agreement.

7.4 **Exemptions from Certain Taxes and Duties.** MoH shall obtain exemptions from applicable taxes and duties for the import of all Zipline equipment to be used for the provision of the Services (or “zero-rating” of the value of such equipment), or, in the alternative, pay the Import Duty Service Fee Adjustment as set forth in Section 6.1 (Service Fee). MoH shall obtain exemptions from all VAT applicable to Zipline’s performance of its obligations under this Agreement, or, in the alternative, pay VAT to Zipline as set forth in Section 6.1 (Service Fee).

7.5 **Data.** MoH shall provide Zipline access to and copies of all relevant data owned or controlled by the MoH regarding public health supply chains of the Medical Products list, including but not limited to data extracts from the MoH’s systems regarding the source, quantity, type, price, destination, and use of the Medical Products in Ghana.

8. **INSPECTION; TESTING; MONITORING**

8.1 **Inspections.** MoH shall at mutually agreeable times scheduled, or with reasonable prior notice at any other time, have the right to inspect the Distribution Center and the RPAS and to witness all relevant technical tests at various stages of construction, installation, transportation, operation and maintenance carried out by Zipline in connection with the Service. MoH shall have the right, during any inspection, to examine and request copies of the flight and Medical Product records and Delivery data held by Zipline that are related to the Service. These records and data shall be subject to the Confidentiality obligations described in Section 15.1 (Confidentiality Obligation).
8.2 **MoH Inspection Defects Reports.** Subsequent to any inspection of a Distribution Center and the RPAS owned by Zipline, MoH shall issue a report to Zipline as to its assessment of any defects requiring correction under the Agreement. MoH shall specify which obligations under the Agreement are not being met by Zipline, and Zipline shall be required to remedy any such defaults. Following written notice from the MoH, Zipline shall rectify any defects noticed during inspection or testing at a Distribution Center at its own cost and within a reasonable time period; provided, however, that if the defect constitutes a material breach of this Agreement pursuant to Section 14.2, MoH shall have the right to issue an immediate notice of default, and Zipline shall have thirty (30) days to cure such default, as set forth in Section 14.

8.3 **Zipline Reporting.** Zipline shall report to the MoH in a timely manner any condition that is likely to prevent Zipline from successfully fulfilling Orders (technical downtime, weather, or any other condition).

8.4 **MoH Medical Product Delivery Loss Reporting.** The MoH shall ensure that, for each Delivery, the receiving Health Facility:

(a) performs the relevant Medical Product Test on each delivered Medical Product within the Medical Product Delivery Testing Window; and

(b) issues a Medical Product Delivery Loss Report for any Medical Product that does not satisfy the requirements of the relevant Medical Product Test.

9. **OWNERSHIP AND INTELLECTUAL PROPERTY**

9.1 **Ownership of Assets and Intellectual Property.** Zipline will own all rights, title and interest in and to the physical assets and intellectual property comprising the RPAS, including any improvements and inventions related to the RPAS conceived over the course of the Service, that Zipline has authored.

9.2 **License to Data.** The MoH hereby grants to Zipline a non-exclusive, royalty-free, perpetual, transferable, sublicense-able worldwide license to data provided by the MoH to Zipline pursuant to Section 7.5 (Data), and authorizes Zipline’s use of operational, geographical, or medical supply data collected by Zipline from other sources in the course of its operations in Ghana, subject to the applicable Laws of Ghana.
10. REPRESENTATIONS AND WARRANTIES

10.1 MoH Representations and Warranties. MoH hereby represents and warrants that:

(a) it has the right, power and authority to enter into this Agreement and to perform all its obligations hereunder on behalf of the Government of Ghana;

(b) the execution, delivery and performance of this Agreement by MoH has been duly authorized by all necessary competent authorities pursuant to the applicable Laws of Ghana and this Agreement constitutes valid, binding and enforceable obligations of MoH;

(c) there are no outstanding judgments against MoH in relation to the Service, the Distribution Center Sites, and, to the best knowledge of MoH, no action, claim, suit or proceeding is pending or threatened against the MoH before any court, or competent authority that could reasonably be expected to materially adversely affect the ability of the Parties to perform their obligations under this Agreement;

(d) no Law of Ghana, contract or agreement is violated by the execution and delivery of this Agreement by MoH or the performance or satisfaction of any term or condition herein contemplated upon its part to be performed or satisfied;

(e) there are no MoH regulations which would render a responsibility or obligation of Zipline under this Agreement, impossible or illegal under the Laws of Ghana; and

(f) Relevant approval has been obtained from the Public Procurement Authority before the execution of this Agreement and the Agreement will be subjected to parliamentary approval.

10.2 Zipline Representations and Warranties. Zipline hereby represents and warrants to MoH as follows:

(a) it has the right, power and authority to enter into this Agreement and to perform its obligations hereunder;

(b) the execution, delivery and performance of this Agreement by it have been duly authorized by all necessary corporate action of
Zipline, and this Agreement constitutes the legal, valid, binding and enforceable obligation of Zipline;

c) there are no outstanding judgments against Zipline, and, to the best knowledge of Zipline, no action, claim, suit or proceeding is pending or threatened against Zipline before any court, government authority or arbitrator of competent jurisdiction that could reasonably be expected to materially adversely affect the financial condition or operations of Zipline or the ability of the Parties to perform their obligations under this Agreement or any other agreement relating to any aspect of the Service;

d) to the best knowledge of Zipline, no Law of Ghana, contract or agreement is violated by the execution and delivery of this Agreement or the performance or satisfaction of any agreement or condition herein contemplated upon its part to be performed or satisfied; and

e) it is not in default under any other agreement entered into by it and which such default may materially adversely affect the performance by Zipline of this Agreement.

11. ASSIGNMENT AND CHANGE IN CONTROL

Except as otherwise provided in this Agreement, Zipline shall not assign, transfer or otherwise dispose of any of its rights or obligations under this Agreement to any third (3rd) party without the MoH’s written consent, which consent shall not be unreasonably withheld or conditioned. Notwithstanding the foregoing, Zipline shall have the right to assign such rights and obligations to an Affiliate of Zipline without the MoH’s prior written consent, except that Zipline shall immediately notify the MoH of any such assignment in writing.

12. INDEMNITIES AND LIMITATION OF LIABILITY

12.1 Mutual General Indemnity Against Claims Arising from Breach. Each Party shall indemnify the other Party, its Affiliates, and its and their respective directors, officers, employees and agents from and against any and all losses suffered by that other Party as a result of third (3rd) party claims arising from the indemnifying Party’s breach of this
Agreement, save to the extent that such claims arise from the fraud or negligence of the indemnified Party.

12.2 **MoH Indemnity Against Medical Product Claims.** MoH agrees to defend, indemnify, and hold Zipline harmless against all third (3rd) party claims related to injury or death caused by: (i) the erroneous administration of Medical Products; (ii) administration of expired or damaged Medical Products that should have been tested prior to administration; (iii) delayed administration of Medical Products, whether or not the delay was due to a third (3rd) party, the MoH, or a Health Facility; and (iv) non-administration of Medical Products, whether or not the non-administration was due to a third (3rd) party, the MoH, a Health Facility, or Zipline.

12.3 **Limitations of Liability.** Except as expressly set forth in Section 12.1 (Mutual General Indemnity Against Claims Arising from Breach) and Section 12.2 (MoH Indemnity Against Medical Product Claims), under no circumstances shall either Party be liable (whether in contract, tort, or otherwise) for any incidental, or special or consequential damages, arising out of or relating to Delivery or non-delivery of Medical Products. In no event shall Zipline’s total liability under this Agreement exceed the total amount paid to Zipline by the MoH for the Term of the Agreement. Except for the MoH’s liabilities and responsibilities under Section 12.2 (MoH Indemnity Against Medical Product Claims), which shall not be limited, the MoH’s total liability shall not exceed the total amount paid and or due to Zipline by the MoH for the term of this Agreement. The parties have agreed that the limitations specified in this section will survive and apply even if any limited remedy specified in this Agreement is found to have failed the Agreement’s essential purpose.

13. **FORCE MAJEURE**

13.1 **Definition of Force Majeure.** In this Agreement, “**Force Majeure Event**” means:

(a) any event or circumstance or combination of events or circumstances beyond the reasonable control (direct or indirect) of the Party affected by such event, circumstance, or combination of events or circumstances (the “**Affected Party**”);
(b) which was not foreseeable or, if foreseeable, could not have been prevented or avoided or overcome by the Party acting with Prudent Industry Practice having taken all reasonable precautions, due care, and reasonable alternative measures in order to avoid the effect of such event on such Affected Party's ability to perform its obligations under this Agreement and to mitigate the consequences of such circumstances;

(c) which materially and adversely affects the performance by that Party of its obligations (other than an obligation to pay money) or the enjoyment by that Party of its rights under this Agreement or renders performance so impractical as reasonably to be considered impossible in the circumstances; and

(d) is not the direct result of a breach by the Affected Party of this Agreement.

13.2 **Notice and other Obligations of Party Affected by Force Majeure.** In the event of the occurrence of a Force Majeure Event, the Affected Party shall:

(a) notify the other Party in writing of such Force Majeure Event as soon as reasonably practicable, but no longer than eighteen (18) hours after becoming aware of the Force Majeure Event (or if such Force Majeure Event prevents the Affected Party from providing notice within eighteen hours, then as soon as reasonably practicable after the resumption of any means of providing notice between the Parties);

(b) give the other Party a second notice, describing the Force Majeure Event(s) in reasonable detail and, to the extent that can be reasonably determined at the time of the second notice, provide a preliminary evaluation of the obligations affected, a preliminary estimate of the period of time that the Affected Party will be unable to perform the obligations, and other relevant matters as soon as practical, but in any event, not later than fourteen (14) days after the initial notice of the occurrence of the Force Majeure Event(s) is given by the Affected Party;

(c) use all reasonable efforts to:
   (i) remedy its inability to perform as soon as practicable;
(ii) keep such other Party apprised of such efforts on a continuous basis;
(iii) provide written notice of the cessation of the Force Majeure Event as soon as practicable; and
(iv) thereafter, resume full performance hereunder.

13.3 Effect of Force Majeure. Subject to its compliance with the terms and conditions of Section 13.2 (Notice and other Obligations of Party Affected by Force Majeure), neither Party shall be responsible or liable for, or deemed in breach hereof because of, any failure or delay in complying with its obligations under this Agreement which it cannot perform due solely to one or more Force Majeure Events or its or their effects or by any combination thereof, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-for-day basis for so long as one or more Force Majeure Events continue(s) to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement (the “Consequences of Force Majeure”). Notwithstanding the foregoing:

(a) no relief shall be granted to the Affected Party pursuant to this Section to the extent that such failure or delay would have nevertheless been experienced by the Affected Party had such Force Majeure Event not occurred;
(b) the Parties shall perform their obligations under this Agreement to the extent that the performance of such obligations is not impeded by the Force Majeure Event; and
(c) if a Force Majeure Event has occurred and is continuing, either Party may terminate this Agreement upon sixty (60) days’ written notice if such Force Majeure Event prevents either Party from performing its obligations under this Agreement for a period of three hundred and sixty five (365) consecutive days.

14. EVENTS OF DEFAULT; TERMINATION

14.1 MoH Events of Default. Each of the following events shall constitute an event of default by MoH (each a “MoH Event of Default”), which, if not cured within the time period permitted, if any, to cure, shall give rise to the right on the part of Zipline to terminate this Agreement pursuant to Section 14.5 (Termination):
(a) failure to pay the Monthly Service Fee to Zipline within the Payment Period as set forth in Sections 6.1(a), 6.1(b) and 6.1(c); 

(b) MoH without the consent of Zipline, acquires the ownership of any issued ordinary share in Zipline or any material asset of Zipline;

(c) any statement, representation or warranty made by the MoH herein proving to have been incorrect in any material respect, and such incorrect statement, representation or warranty having a material adverse effect on Zipline’s ability to perform its obligations or to exercise its rights under this Agreement; and

(d) any other material breach of this Agreement by the MoH which is not remedied within thirty (30) days after written notice from Zipline stating that a material breach of this Agreement has occurred that could result in the termination of this Agreement, identifying the material breach in question in reasonable detail, and demanding remedy thereof.

14.2 Zipline Events of Default. Each of the following events shall constitute an event of default by Zipline (each a “Zipline Event of Default”), which, if not cured within the time period permitted (Section 14.4), if any, to cure, shall give rise to the right on the part of the MoH to terminate this Agreement pursuant to Section 14.5 (Termination):

(a) failure by Zipline to finance, develop, operate, and maintain the RPAS in accordance with the terms and conditions of this Agreement;

(b) failure by Zipline to ensure that the Distribution Centers or the RPAS meet the specifications set out in Schedule 3 (RPAS Specifications) for the Term of the Agreement;

(c) consistent failure by Zipline to provide the Available Capacity;

(d) the voluntary cessation by Zipline of substantially all activities relating to the development, operation and maintenance of the Service;

(e) failure by Zipline to abide by the relevant GCAA Government Approvals or Zipline carrying out any activity beyond the scope of GCAA Government Approvals;

(f) any statement, representation or warranty made by Zipline herein proving to have been incorrect in any material respect, and such
incorrect statement, representation or warranty having a material adverse effect on MoH’s ability to perform its obligations or to exercise its rights under this Agreement; and

(g) any other material breach by Zipline of this Agreement that is not remedied within thirty (30) days after written notice from the MoH stating that a material breach of this Agreement has occurred that could result in the termination of this Agreement, identifying the material breach in question in reasonable detail, and demanding remedy thereof.

14.3 Event of Default Notice. Upon the occurrence of an Event of Default, the Party that is not the subject of such Event of Default shall give a notice (the “Event of Default Notice”) within fifteen (15) days to the other Party, specifying in reasonable detail the MoH Event of Default or Zipline Event of Default, as the case may be, giving rise to such Event of Default Notice.

14.4 Cure Period. Following the delivery of an Event of Default Notice, the Parties shall consult for a period of up to thirty (30) days (or such longer period as the Parties may mutually agree in writing) (the “Cure Period”), as to what steps shall be taken with a view to mitigating the consequences of the Event of Default, taking into account all the circumstances. During the period following the Event of Default Notice, the Party in default may continue to undertake efforts to cure the default, and if the default is cured at any time prior to the delivery of a Termination Notice (as defined in Section 14.5 (Termination)), then the Party in default shall immediately resume its obligations under this Agreement and the non-defaulting Party shall have no right to terminate this Agreement in respect of such cured default.

14.5 Termination. Upon expiration of the Cure Period, if the Event of Default has not been cured and the Parties have not agreed in writing to extend the Cure Period, the Party that gave the Event of Default Notice may terminate this Agreement by delivery of a written notice of termination (a “Termination Notice”) to the other Party. This Agreement shall terminate, subject to Section 14.6, and each Party shall cease to have any right or be subject to any obligation pursuant to this Agreement immediately upon the date specified for its termination in any Termination Notice.
14.6 **Survival of Provisions.** The following provisions of this Agreement shall survive its termination: Sections 1, 15, 16, and 17. In addition, Zipline's exclusive lease from the Government of Ghana to each Distribution Center Site (if any) shall survive for at least thirty (30) days after the termination, to enable Zipline to arrange for the removal of the RPAS and other equipment at the Distribution Center.

14.7 **Nature of Remedies.** Any termination of this Agreement in accordance with its terms shall be without prejudice to any rights, obligations and/or liabilities of any Party which accrued prior to such termination and the exercise of the right of a Party to terminate this Agreement, as provided herein, shall not preclude the Party from exercising other remedies that are provided herein or are available at law in respect of any such rights, obligations and/or liabilities. Remedies are cumulative, and the exercise of, or failure to exercise, one or more remedy by a Party shall not limit or preclude the exercise of, or constitute a waiver of, other remedies by that Party.

15. **CONFIDENTIALITY**

15.1 **Confidentiality Obligation.** Each Party shall keep confidential this Agreement, as well as any information whether written or oral, concerning the other Party or their directors, officers or employees, or agents or the Service, which that Party shall receive from the other Party and which is marked (if the information is delivered in written form) or otherwise designated as or indicated to be "Confidential" at the time of disclosure or which must be understood to be confidential by reason of the circumstances applicable to its disclosure and shall not divulge the same to any third (3rd) party (save in so far as may be necessary for the purpose of carrying out this Agreement) without prior written consent of the non-disclosing Party. The Parties confidentiality obligations under this Section shall not, however, restrict in any way their use of information which has become known to the disclosing Party from a source other than that other Party, or generally available to the public other than as a result of a breach by the disclosing party of its obligations under this Section.

15.2 **Allowed Disclosures.** Notwithstanding the provisions of Section 15.1 (Confidentiality Obligation), confidential information may be disclosed without the other Party’s consent in the following circumstances,
provided that the person to whom the confidential information is disclosed agrees to keep the information confidential and restrict its use according to this Section 15:

(a) to a competent authority and to the extent required by Law;

(b) by a Party to its directors, officers, employees, agents, investors, potential investors, strategic partners, and technical and professional advisers and any affiliate of such party who reasonably require such information in the course of their duties and responsibilities in relation to this Agreement;

(c) by a Party to its contractors and suppliers to the extent they reasonably require such information in the performance of their obligations in relation to this Agreement;

(d) by a Party to the extent reasonably required for the purposes of obtaining and maintaining insurances; and

(e) for the purposes of dispute resolution or the enforcement of rights and obligations under this Agreement.

Any Confidential information disclosed in accordance with this Section 15.2 (Allowed Disclosures) shall only be used for a purpose or purposes incidental to or arising out of this Agreement, and not for any other purpose.

16. DISPUTE RESOLUTION

16.1 Good Faith Discussions. If any dispute or difference of any kind whatsoever ("Dispute") shall arise between the MoH and Zipline in connection with, or arising out of, this Agreement, the Parties shall attempt in good faith to settle such Dispute in the first instance by mutual discussions between authorized representatives of each Party. The Parties shall commence such discussions within seven (7) days of a request by either Party.

16.2 Arbitration. Any Dispute arising out of or in connection with this Agreement that has not been resolved within thirty (30) days following the procedures set forth in Section 16.1 (Good Faith Discussions) shall be referred to the Ghana Arbitration Centre for arbitration under the Alternative Dispute Resolution Act, 2010 (Act 798) and the Parties hereby consent to arbitration thereunder.
16.3 Any dispute submitted by a Party to arbitration shall be heard by a panel of three (3) arbitrators, in accordance with the following provisions:

(a) The Parties shall each appoint one (1) arbitrator and the two (2) arbitrators shall jointly appoint a third (3rd) arbitrator who shall chair the arbitration panel. If the arbitrators appointed by the Parties fail to appoint a third (3rd) arbitrator within thirty (30) days after the appointment of the first (1st) two (2) arbitrators, the third (3rd) arbitrator, at the request of either Party shall be appointed by the President, for the time being, of the Ghana Arbitration Centre.

(b) The decision of a majority of the arbitrators is final and binding on the Parties, and it will be applicable in any jurisdiction.

(c) In any such arbitration: the place of arbitration shall be Accra; the language to be used in the arbitral proceedings shall be English; and the case shall be administered by the Ghana Arbitration Centre, and conducted according to the rules of the Ghana Arbitration Centre.

16.4 Results of Arbitration. Each Party hereby agrees to be bound by any final decision or award of any arbitrators duly appointed under this Agreement.

16.5 Confidentiality. All awards and orders in the arbitration, as well as all materials created for the purpose of the arbitration and documents produced by another Party in the arbitration shall be deemed “Confidential” under Section 15.1 (Confidentiality Obligation), even if not so marked.

16.6 Fees and Costs. Except as awarded by the arbitrators, each Party shall be responsible for its own costs incurred by it in connection with an arbitration hereunder.

17. GOVERNING LAW

The provisions of this Agreement, including but not limited to their validity, interpretation, execution, and termination, shall be governed by and construed under the Laws of Ghana.
18. MISCELLANEOUS

18.1 Notices. All notices, consents and waivers under this Agreement shall be in writing and will be deemed to have been duly given when (i) delivered by hand, (ii) sent by email, unless the sender receives an automated message that the email has not been delivered, (iii) sent by certified mail, return receipt requested, or (iv) when received by the addressee, if sent by overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below, or to such other addresses as a Party may designate by notice to the other Party:

Zipline Contact:
Fly Zipline Ghana Limited
No. 8 Dr. Isert Road
North-Ridge
Accra, Ghana
Attention: Legal Department
Email: tyler.mcnish@flyzipline.com with a copy to legal@flyzipline.com.

MoH Contacts:
Honorable Minister responsible for Health,
MoH Headquarters,
Attention: Chief Director, MoH
Email: info@moh.gov.gh

18.2 Entire Agreement. This Agreement constitutes the entire agreement of the Parties relating to its subject matter. Each Party acknowledges and agrees that, it is not, in entering into this Agreement, relying on, and shall have no right of action against the other Party in respect of, any agreement, arrangement, assurance, draft document, promise, undertaking, representation or warranty of any person whether or not in writing made or given by any person prior to execution of this Agreement, except as set out in this Agreement, provided, however, that nothing in this Section 18.2 (Entire Agreement) shall operate to limit or exclude liability for fraud.

18.3 No Third Party Beneficiaries. This Agreement shall not impose any duty or any liability, or confer any right of suit or action whatsoever, on any person not a Party to this Agreement except where provided for in this Agreement.
18.4 **No Partnership or Joint Venture.** Nothing in this Agreement shall be construed as creating a partnership or joint venture of any kind between the Parties or as constituting either Party as the agent of the other Party for any purpose whatsoever. No Party shall have the authority to bind the other Party or to contract in the name of or create a liability against the other Party in any way or for any purpose.

18.5 **No Waiver.** No delay or omission of any Party in exercising any right, power or remedy provided by Law or under this Agreement shall impair such right, power or remedy or operate as a waiver thereof. The single or partial exercise of any right, power or remedy provided by Law or under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

18.6 **Amendments.** No amendments may be made to this Agreement unless they are in writing and signed by the authorized representative of both Parties.

18.7 **Language.** The language of this Agreement shall be English. All documents, notices, waivers and all other communication written or otherwise between the Parties in connection with this Agreement shall be in English.

18.8 **Interpretation.** In this Agreement, unless the context otherwise so requires:

(a) obligations undertaken by a Party, which comprises more than one person, shall be deemed to be made by them jointly and severally;

(b) words importing persons include firms, corporations and bodies corporate and vice versa;

(c) words importing the singular shall include the plural and vice versa;

(d) words importing any one gender shall include all genders;

(e) the headings, contents page and front sheet are all for reference only and shall not affect construction;

(f) reference to a section are references to the section of this Agreement so numbered;
(g) any reference to any statutes, legislation, regulations, Government Approvals, or orders thereunder shall be deemed to be references to such as it may have been or shall be amended or reenacted;

(h) references to other agreements, documents and other instruments shall be deemed to be references to such agreements, documents and other instruments as amended, replaced, substituted, assigned, novated, supplemented or otherwise modified from time to time, so long as any amendment, replacement, substitution, supplementation, or modification is done with the consent of both parties;

(e) references to a “Party” or the “Parties” are references to either the MoH or Zipline or both, including their respective successors and assigns and references to any other person shall include references to that person’s successors and assigns, as appropriate; and

(f) an obligation on either Party to do something includes an obligation to procure it to be done on its behalf.

18.9 Execution. Each Party shall execute at least two (2) originals of this Agreement, and provide at least one (1) complete original to the other Party for its possession.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement in the year and the day herein above mentioned.

<table>
<thead>
<tr>
<th>Signed by</th>
<th>Signed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kwaku Agyeman-Manu (MP)</td>
<td>Nicholas Hu</td>
</tr>
<tr>
<td>For and on behalf of Government of Ghana</td>
<td>For and on behalf of Fly Zipline Ghana Limited</td>
</tr>
<tr>
<td>In the presence of</td>
<td>In the presence of</td>
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</tbody>
</table>

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<thead>
<tr>
<th>Name:</th>
<th>Name:</th>
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<tbody>
<tr>
<td>Title:</td>
<td>Title:</td>
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<tr>
<td>Signature:</td>
<td>Signature:</td>
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</table>
SCHEDULE 1: DISTRIBUTION CENTER SITES*

*Note: Distribution Center map may be revised by the mutual agreement of the Parties.
# SCHEDULE 2: SERVICE PHASING AND ON-TIME PAYMENT DISCOUNT

<table>
<thead>
<tr>
<th>Phase per Distribution Center</th>
<th>Conditions Precedent to Incremental Initiation of Phase at Each Distribution Center</th>
<th>Monthly Base Service Fee (USD/Distribution Center/Month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setup</td>
<td>Zipline receives all regulatory approvals needed to operate in Ghana</td>
<td>USD0.00</td>
</tr>
</tbody>
</table>
| Phase 1                       | Zipline provides notice in writing that it has completed installation of a Distribution Center and at least one of the following conditions has been met: (i) the Activation Date has been achieved for at least 5% of public Health Facilities within Service Range and selected for Delivery by MoH; or (ii) during the immediately preceding 30 days, Zipline has made an average of at least 15 Deliveries per day. | If **no** deliveries available during night hours: USD10,000.00  
If deliveries available during night hours: USD11,000.00 |
| Phase 2                       | Zipline provides notice in writing that it has completed installation of a Distribution Center and at least one of the following conditions has been met: (i) the Activation Date has been achieved for at least 25% of public Health Facilities within Service Range and selected for Delivery by MoH; or (ii) during the immediately preceding 30 days, Zipline has made an average of at least 50 Deliveries per day. | If **no** deliveries available during night hours: USD25,000.00   
If deliveries available during night hours: USD27,000.00 |
| Phase 3                       | Zipline provides notice in writing that it has completed installation of a Distribution Center and at least one of the following conditions has been met: (i) the Activation Date has been achieved for at least 50% of public Health Facilities within Service Range and selected for Delivery by MoH; or (ii) during the immediately preceding 30 days, Zipline has made an average of at least 75 Deliveries per day. | If **no** deliveries available during night hours: USD55,000.00   
If deliveries available during night hours: USD59,000.00 |
| Full Operations               | Zipline provides notice in writing that it has completed installation of a Distribution Center and at least one of the following conditions has been met: (i) the Activation Date has been achieved for at least 75% of public Health Facilities within Service Range and selected for Delivery by MoH; or (ii) during the immediately preceding 30 days, Zipline has made an average of at least 100 Deliveries per day. | If **no** deliveries available during night hours: USD80,000.00   
If deliveries available during night hours: USD88,000.00 |
| On-Time Payment Discount      |                                                                                       | USD11,000.00                                           |
SCHEDULE 3: RPAS SPECIFICATIONS

Zip UAV

The core element of the Zipline RPAS is the Zip UAV, a fixed-wing aircraft propelled by two propellers in coaxial configuration, powered by electric motors fed by a lithium ion battery, and controlled by custom circuit board running proprietary software.

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<table>
<thead>
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<tbody>
<tr>
<td>Wingspan</td>
<td>3.3m</td>
</tr>
<tr>
<td>Length</td>
<td>2.3m</td>
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<tr>
<td>Airspeed (Cruise/Max)</td>
<td>101 kmph / 128 kmph</td>
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<tr>
<td>Maximum Takeoff Weight/Payload Volume (including packaging)</td>
<td>21.5 kg / 9 L</td>
</tr>
<tr>
<td>Operational Ceiling</td>
<td>2500 m</td>
</tr>
<tr>
<td>Payload Max. Weight</td>
<td>1.75 kg</td>
</tr>
<tr>
<td>Service Radius (1.75 kg payload)</td>
<td>80 km</td>
</tr>
<tr>
<td>Motor</td>
<td>Electric Motors in Coaxial Configuration</td>
</tr>
<tr>
<td>Battery</td>
<td>1700-Watt Hour Battery Pack</td>
</tr>
</tbody>
</table>

Zip UAV Diagram and Specifications
DISTRIBUTION CENTERS

Zipline operates Zip RPASs from Distribution Centers. Distribution centers consist of Zip launch, recovery, battery charging, and communications equipment, together with related infrastructure such as tents or buildings, product storage, and so on. A Distribution Center can typically be set up on 1-2 acres of land, provided that a path exists in each flight direction at least 600 meters long and 180 meters wide free of all obstacles and safety hazards and over which Zipline can maintain exclusive control.

Aerial View Zip UAV Recovery at Distribution Center Prototype in California

Each Distribution Center contains one or more custom-made electric launchers, which use a cable spooled by an electric motor to accelerate a Zip up to flight velocity along a 10 m track.

Each Distribution Center also contains at least 1 recovery system. The structure of the recovery device is built from COTS steel struts of the type typically used for the setup of performance stages. At the top of the struts sits electric motors, which are attached to a trapeze-like assembly constructed from carbon fiber arms and a cable. The motors are controlled by Zipline’s distribution center software, which “snaps” the recovery line upwards as the Zip UAV comes in for recovery, catching the Zip UAV’s tail hook. The cable then pays out to
decelerate the Zip UAV, and lower the Zip UAV towards the ground, where the operate can remove its battery for recharging and re-shelve the Zip UAV.

Distribution Center battery chargers are custom-built battery chargers that allow convenient electrical and data connection of the Zip RPAS battery for the recharging of the battery and the uploading of flight logs from the battery’s onboard GPS unit.

**Operations Management System**

The Operations Management Software is a cloud software service running on computer servers, and connected via the internet to Zipline Distribution Centers and Zip UAVs (including while the Zip UAVs are in flight). The Operations Management System allows customers to request a payload delivery via a device such as a COTS personal computer or smartphone, monitors weather conditions and air traffic in the area of operations, tracks the position of each Zip UAV, and relays commands from the Distribution Center to the Zip UAV.
User interface for Zipline Operations Management System

The Zip UAV is provided with a complete electronic flight plan prior to launch, via a Wi-Fi connection or via a memory card. The flight plan describes flight corridors that the Zip UAV will fly to reach one of a list of predetermined delivery sites, and to return. Each flight corridor is defined as a region of airspace. The flight computer of the Zip UAV is configured to only fly within the flight corridors described in the flight plan. The Zip UAV cannot be manually directed to go to a destination that is not in the list of predetermined delivery sites.

The predetermined delivery sites list can only be updated by the Operations Management System and access to the Operations Management System is only given to specifically trained and screened personnel.

At the destination, the flight computer on board the Zip UAV determines a suitable approach to make the delivery drop based on one of a set of predetermined approach trajectories. The approach trajectories are provided to the Zip UAV as part of the flight plan. A trajectory for the delivery is chosen from the set of predetermined trajectories based on the prevailing wind conditions at the destination site.

Communications

The Zip UAV has three modes of communication:

- 3G Cellular Radio: Multi-Tech Systems MTSMC-H5-SP.
- WiFi: Microchip Technology ATWINC1510-MR210PB.

The Line-of-Sight Radio provides a robust, low latency, and long-range link from Nest to Zip UAV and between Zip UAVs. The Line-of-Sight Radio provides a direct communication link with approximately 32 KM range when there is clear line-of-sight between parties.

The 3G Cellular Radio provides a link to the Zip UAV wherever there is cellular service available through third parties. Both the Line-of-Sight Radio and Cellular Radio can be used to send commands to the Zip UAV and to receive status updates from the Zip UAV. WiFi is used when the aircraft is at the Distribution Center. In some circumstances, where cellular service is not available, the Zip
UAV may be equipped with a modem that can receive Internet service through a satellite (such as the Iridium 9603).

Every aspect of the Zipline RPAS communications system is designed for security:

- The backbone is comprised of physical servers located at the Distribution Center, which securely connect to internet-based servers using industry standard cryptographic protocols;
- The system exclusively communicates through a secure virtual private network across a secure sockets layer connection;
- The controller interface communicates with the Distribution Center servers across a secure sockets layer connection using certificate pinning;
- The only access to system data is through application programming interfaces that require user authentication to read or write any information;
- The system provides multiple tiers of authorization, which allows Zipline to set detailed permissions for each user;
- The controller interface requires a user to login regularly, and automatically ends sessions that remain inactive for a few minutes; and
- For communications, the system uses end-to-end encryption with keys that expire regularly. Communications use accurate timestamps to improve resiliency to replay attacks.

Changes to Specifications

The Parties acknowledge and agree that Zipline may change the specifications set out in this Schedule 5 from time to time, provided that the RPAS continues to meet System Operating Parameters and allows Zipline to provide the Services and comply with its obligations under this Agreement.
SCHEDULE 4: EXAMPLE OF SERVICE FEE CALCULATION

The following is an example of the calculation of the Service Fee to be paid by MoH in a given month of the Term.

The first step is to calculate the Monthly Base Service Fee, given each Distribution Center’s Phase (for simplicity, the following example assumes Night Deliveries have not yet been approved):

<table>
<thead>
<tr>
<th>Distribution Center</th>
<th>Phases for Four (4) Distribution Centers</th>
<th>Cumulative Monthly Base Service Fee (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DC1</td>
<td>Full Operations for one (1) Distribution Center</td>
<td>USD80,000.00</td>
</tr>
<tr>
<td>DC2</td>
<td>Phase 3 for additional Distribution Center</td>
<td>USD55,000.00</td>
</tr>
<tr>
<td>DC3</td>
<td>Phase 1 for additional Distribution Center</td>
<td>USD10,000.00</td>
</tr>
<tr>
<td>DC4</td>
<td>Setup Phase for 4th Distribution Center</td>
<td>USD0.00</td>
</tr>
<tr>
<td>MONTHLY BASE SERVICE FEE</td>
<td></td>
<td>USD145,000.00</td>
</tr>
<tr>
<td>ON-TIME PAYMENT DISCOUNT</td>
<td></td>
<td>(USD11,000.00)</td>
</tr>
<tr>
<td>MONTHLY BASE SERVICE FEE WITH ON-TIME PAYMENT DISCOUNT</td>
<td></td>
<td>USD134,000.00</td>
</tr>
<tr>
<td>MONTHLY ADJUSTED SERVICE FEE</td>
<td></td>
<td>USD154,833.00</td>
</tr>
<tr>
<td>MONTHLY GROSS SERVICE FEE</td>
<td></td>
<td>USD181,928.00</td>
</tr>
<tr>
<td>SERVICE FEE</td>
<td></td>
<td>USD181,928.00</td>
</tr>
</tbody>
</table>

The next step is to deduct the On-Time Payment Discount. Assuming that MoH paid the previous month’s invoice on time, the On-Time Payment Discount of USD11,000.00 would be subtracted, and the resulting discounted Monthly Base Service Fee would be USD134,000.00.
The next step is to calculate Monthly Adjusted Service Fee, based on the import duties and taxes from which MoH was unable to obtain exemptions for Zipline. Assuming that Zipline paid USD1,000,000.00 in such import duties and taxes, MoH would add an Import Duty Service Fee Adjustment of USD1,000,000.00/48 = USD20,833.00 to the Monthly Discounted Subscription Fee for each month, beginning with the first month in which the first Distribution Center has achieved Phase 1. The Monthly Adjusted Service Fee for the example month would therefore be USD154,833.00.

The final step is to calculate the Monthly Gross Service Fee. If Zipline is obligated to pay VAT of 17.5% on the value of the services it provides to MoH, MoH would add VAT of USD154,833.00 x 17.5% = USD27,095.00 to the Monthly Adjusted Service Fee, such that the Monthly Gross Service Fee would be USD181,928.00.

However, if MoH succeeds in exempting Zipline from applicable import duties and VAT based on Zipline’s lifesaving medical mission, the Monthly Gross Service Fee will be equal to the Monthly Base Subscription Fee less the On-Time Payment Discount of USD11,000.00, which, in this example, is USD134,000.00.