# DOCUMENT OF UNDERSTANDING

concluded in Belgrade, on 27 December 2006,

by and between:
IBM - Internationa. Business Machines d.o.o. **with** its seat in New Belgrade 11070, V.adimira Popovica 8, duly represented by
Milos Djurkovic, General Manager,

presented while signing the Document of Understanding,

hereinafter referred to as **"IBM'\**

and
Megatrend University, w,th **its** sea, in Belgrade 1.000. a, Obihcev venae 12, duly represented by Rector Magnificus Prof. Mica Jovanovic, PhD,

hereinafter referred to as the "University".
IBM and the University shall be hereinafter referred to **individually** as the "Party" or jointly as the "Parties".

## Section 1

1    The Parties shall agree to cooperate within the following scope:

    a) the practical usage of IBM products during the practical and theoretical courses held at the University;

    b) **additional** training eourses for the University students, candidates for master's, doctor's degree and research workers, and the University competitiveness raising.

2. The Parties shall agree to cooperate under the scope defined herein for five years, starting from he acacemic fear 200*2007. This Document of Understanding ancdetanedagreeme between the Parties concluded for the particular academic years shall constitute the base for the cooperation between the Parties. Organization of the cooperation:

3. a)    The Parties shall appoint the following persons to be the members of the Coordination Committee, supervising and performing the cooperation process:

    -    for the **University:** Prof. MormSilo Zivkovic, PhD, Vice Rector and Ljiljana Stanojevic, MsC, Head of IT Department,

    -    for **IBM:** Nenad Stankovic, ISV & Linux Representative.
        Each Party shall notify the other Party in writing on any change referring to the above persons. Such a change shall not eause any modification to this Document of Understandmg. The **Coordination** Committee shall recommend the number of^practical ^ 'heoretical courses their subject, and the number of students participating. The Parties shall mutually agree within 10 days on the imp.ementation of the Coordination Comm,ttee s reco mmendat ions.

    b) The decisions of the Coordination Committee shall be taken unanimously and drawn up in writing.

    c) The first Coordination Committee meeting shall take place **within** 21 days after this Document of Understanding is signed. During the meeting the following shall be established:

- the list of the University Faculties where new IBM products under the theoretical courses are implemented;

- the demand for IBM products and the list of those IBM products that are to be made available for the University, as well as the way of their usage,

- the demand for the students training practices, IBM commits itself to hold,

- the program meetings dates of the Coordination Committee;

- the detailed draft of the agreements and projects to be discussed regarding the academic year 2006/2007, including the above aspects of the mutual cooperation; it shall refer to the agreements concluded independently between the University and IBM, only.

4.  Starting the cooperation the University shall agree:

    a) to use IBM products made available under the theoretical courses to the required extent,

    b) to direct the University's students, to the required extent, to the student training practices organized by IBM,

    c) to inform the public about the cooperation between the Parties and the achieved results. The parties shall mutually agree in writing about the details of the information to be released.

5.  Starting the cooperation, IBM shall agree:

    a) to enable the University free access to IBM products for theoretical use within the scope agreed by both Parties,

    b) to help the University implement and use IBM products during the theoretical courses,

    c) to recruit the  University's students for the training practices, in accordance with the numbers and dates agreed by both Parties, based on the recommendation of the Coordination Committee.


### Section 2

1.  This Document of Understanding does not create any liabilities between the Parties, and in particular it is not treated as a promise to conclude an agreement nor as a preliminary agreement.

2.  Products and services are not sold based on this Document of Understanding. Purchase of products and services shall be governed by separate agreements based on standard IBM terms and conditions.


### Section 3

**Limitation of liability**

Circumstances may arise where, because of a default on IBM's part or other liability, the University is entitled to recover damages from IBM. In each such instance, regardless of the basis on which the University is entitled to claim damages from IBM (including fundamental breach, negligence, misrepresentation, or other contract or tort claim), IBM is liable for no more than:

a)      damages for bodily injury (including death) and damage to real property and tangible personal property; and

b)      the amount of any other actual direct damages up to the amount of *US. $100,000* in local currency converted according to the exchange rate published by Serbian National

Bank on the business day the damages occurred for the product or service that is the subject of the claim.

This limit also applies to any of IBM's subcontractors and Program developers. It is the maximum for which IBM and its subcontractors and Program developers are collectively responsible.

**Items for Which IBM is Not Liable**

2.    Under no circumstances is IBM, its subcontractors, or Program developers liable for any of

the following even if informed of their possibility:

    a)    loss of, or damage to, data;

    b)    special, incidental, or indirect damages or for any economic consequential damages; or

    c)    lost profits, business, revenue, goodwill, or anticipated savings

## Section 4

1.    Neither Party shall have the right to assume any liabilities nor to dispose any rights on behalf of the other Party, without the other Party's express consent to be made in writing or otherwise be null and void.

2.    Each Party shall be fully responsible for its own costs and expenses, as well as for its financial obligations and warranties arising herefrom.

3.    Neither Party shall pay any monetary consideration to the other Party for the services arising out of this Document of Understanding.

4.    Each Party is free to enter into similar agreements with others.

5.    Neither provision hereof shall create a joint venture between the Parties.

## Section 5

All the information exchanged between the Parties shall not be deemed confidential, unless the Parties state otherwise and agree to sign a separate confidentiality agreement.

## Section 6

**Joint Invention**

1.    Joint invention means any idea, concept, design, technique, invention, discovery, or improvement, whether or not patentable, that is created jointly by either party's and/or its Related Companies' employee(s) during the execution of the DOU and for which a patent application is filed.

2.    Each Joint Invention will be jointly owned by both parties, together with all patent applications filed for it and all patents issued on it. Each party has the right to grant licenses to others and to assign or otherwise transfer its rights under Joint Inventions without consent from or accounting to the other party.

## Section 7

Based on mutual agreement of the Parties, IBM experts may hold practical or theoretical courses at the University,

IBM holds all right, title, and interest (including ownership of copyright) regarding the education materials provided to the University. All records, memos, and other works, that may be regarded as literary works or other works of authorship, that were created during these practical or theoretical courses are the property of IBM.

## Section 8

This Document of Understanding may be terminated by each Party, effective 30 calendar days upon receipt of written termination letter.

## Section 9

Any change to the provisions hereof requires both Parties' written consent; otherwise shall be deemed null and void.

## Section 10

The University warrants and confirms with its signature that this Document of Understanding is accepted in accordance with all applicable laws to the relationship, including but not limited to applicable public procurement rules.
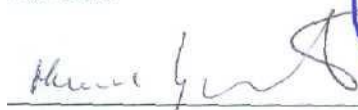
## Section 11

The laws of Republic of Serbia are applicable to this Document of Understanding. In the event of any dispute arising out of or in connection with the present Document of Understanding, the parties shall try to solve it amicabli.

Any possible disputes that were not resolved amicably will finally be settled at the competent court placed in Belgrade, Republic of Serbia.

## Section 12

This Document of Understanding has been drawn up in two identical copies, one copy for each Party.

For IBM:

Authorized Signature / date

Milos Djurkovic, General Manager

For Megatrend University:

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Rector Magnificus

Prof. Mića Jovanović, PhD