

BLUE ECONOMY AGREEMENT
between
SAN DIEGO UNIFIED PORT DISTRICT
and
MARINELABS DATA SYSTEMS (USA) INC.
for
COASTAWARE DEMONSTRATION PROJECT

THIS BLUE ECONOMY AGREEMENT (“Agreement”) is being made this ____ day of _____, 202____, by and between the **SAN DIEGO UNIFIED PORT DISTRICT**, a public corporation with a business address of 3165 Pacific Highway, Post Office Box 120488, San Diego, CA 92112-0488 (“District”), and **MARINELABS DATA SYSTEMS (USA) INC.**, a Delaware corporation, with its principal place of business located at 801 Travis Street, Houston,TX 77002 (“MarineLabs”), with regards to the terms and conditions as set forth herein. The District and MarineLabs may be referred to collectively as the “Parties,” with each being a “Party.”

RECITALS

WHEREAS, the District has established the Blue Economy Incubator which seeks to encourage the implementation of innovative technologies and blue tech businesses that will benefit the local port community of San Diego and enable the District to diversify its portfolio of business lines and assets by providing resources and funding which will foster that development (the “Program”);

WHEREAS, MarineLabs seeks to validate their sensor networks technology and Coastal Intelligence Data system in Southern California, leveraging District test sites and subject matter expertise (the “Project”);

WHEREAS, MarineLabs has applied to participate in the Program and has been selected by the District to participate in such program;

WHEREAS, the District desires to provide certain support to MarineLabs for the two-year Pilot Project, in exchange for certain revenue share payments from MarineLabs, as further described below; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth their respective duties, obligations and revenue sharing arrangements in regard to MarineLabs participation in the Program and the District's support of MarineLabs as to the Project.

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

1. Recitals Incorporated by Reference. The recitals set forth above are incorporated herein by this reference and are made terms of this Agreement and not mere recitals.

2. Term. This Agreement shall commence on the date it is executed by the second Party to execute and shall terminate one year after the expiration of the Revenue Share Period as defined in Section 5.a.i below. However, the obligations of MarineLabs under Section 14, Indemnity, shall survive termination of this Agreement.

3. MarineLabs to Perform the Project. MarineLabs shall perform the Project in accordance with the Scope of Work attached hereto as Exhibit A (the "SOW").

4. District Support of Project. District will support the Project by providing the following (as described in detail in the SOW) and shall not be responsible for any other support or compensation for the Project.

- a. Upon execution of this Agreement and invoicing from MarineLabs, District shall pay to MarineLabs \$225,000.00.
- b. Upon completion by MarineLabs of installation of five private buoy-based sensor packages (as described in detail in the SOW) and invoicing from MarineLabs, District shall pay to MarineLabs \$25,000.00.
- c. Upon completion by MarineLabs of installation of sensor nodes on U.S. Coast Guard-approved Aid to Navigation (AtoN) locations (as described in detail in the SOW) and invoicing from MarineLabs, District shall pay to MarineLabs \$25,000.00.

- d. Upon completion by MarineLabs of the Project and submission of final report (as described in detail in the SOW), District shall pay to MarineLabs \$25,000.00.
- e. District shall provide staff resources to conduct District's environmental review under the California Environmental Quality Act and the Coastal Act at no cost charged to MarineLabs, as well as provide reasonable staff assistance to MarineLabs to help obtain other necessary permits, exemptions, waivers, approvals that may be needed solely for the Project.
- f. District shall provide MarineLabs with access to District-owned location(s) at which MarineLabs may place buoys for the duration of the Project. District may change the available locations due to operational needs of the District at any time. However, District will use reasonable efforts to give MarineLabs 30 days' advanced notice of any such changes and consult with MarineLabs on available locations.
- g. District to provide MarineLabs with reasonable consultation by Port staff regarding use cases and other information based on Port staff experience for the duration of the Project.
- h. District shall provide reasonable staff assistance with public communications regarding the Project such as press releases, approved statements, reporting of performance, and education and public outreach.
- i. District will take reasonable efforts to pay MarineLabs within thirty (30) days following District's receipt of an undisputed invoice. MarineLabs shall be responsible for all other costs and expenses of the Project.

5. Revenue Sharing.

- a. In consideration of the District providing funding, staffing resources, and other support as described in Section 4, herein, the District shall be entitled to the following amounts from MarineLabs (the "Revenue Share"):
 - i. Beginning upon execution of this Agreement and continuing until eleven (11) years from the completion date of the Project as described in detail in the SOW (Revenue Share Period):

1. 4% revenue share of any and all Gross Revenue (as defined below) of MarineLabs from the geographic boundaries of U.S. Coast Guard Districts 11, 13, and 14 as currently established, until MarineLabs has paid \$350,000 to the District; and
 2. Once MarineLabs has paid \$350,000 to the District and until MarineLabs has paid \$2,000,000 to the District, a 1.5% revenue share of any and all Gross Revenue (as defined below) of MarineLabs from the geographic boundaries of U.S. Coast Guard Districts 11, 13, and 14 as currently established.
 3. If the geographic boundaries of U.S. Coast Guard Districts 11, 13, and 14 are changed during the course of this Agreement, Gross Revenue shall be based on the geographic boundaries established at the time of execution of this Agreement plus any area added to such Districts. In no event shall the geographic limits of Gross Revenue be reduced by changes or deletions of such Districts.
- ii. Gross Revenue shall include, without limitation, revenue actually received by MarineLabs from licensing, sales, leases, service, installations, equipment, products, subscriptions, or any other type of revenue, anywhere in the geographic area described above.
- b. MarineLabs shall pay the Revenue Share to the District on a quarterly calendar year basis. Each payment of Revenue Share shall be accompanied by a written report of MarineLabs' applicable Gross Revenue with sufficient information regarding each element of Revenue Share and its calculation and in a form reasonably required by the District ("Revenue Report"). Unless an alternative method of payment has been arranged in writing by the Parties, all payments to the District shall be made payable to "SAN DIEGO UNIFIED PORT DISTRICT" and be sent to 3165 Pacific Highway, Post Office Box 120488, San Diego, CA 92112-0488. MarineLabs shall make each quarterly payment within 45 days of the end of each quarter. MarineLabs' first Revenue Report and payment shall be due February 15th, 2026, whether or not it has

received any applicable gross revenue and shall cover the time period from execution of this Agreement to December 31, 2025.

- c. In order to ensure that the District receives its bargained-for Revenue Share, MarineLabs agrees that all of its dealings, whether with independent third parties, MarineLabs affiliates, owners, insiders, or others, shall be the result of arms-length negotiations. If any such dealings are not the result of arms-length negotiations and result in less MarineLabs gross revenue than would have resulted from an arms-length negotiation, for the purpose of calculating the District's Revenue Share for such deals, the higher MarineLabs gross revenue that would have resulted from an arms-length negotiation shall be used in the calculation of Revenue Share.

6. Records and Audit Rights. MarineLabs shall, at all times, maintain full and complete records relating to Gross Revenue. All such records shall be kept for a minimum of five (5) years from their creation. The District shall, at all times, have the right to review such records and to audit such records, not more than once per any calendar year. Inspection of such records shall occur during business hours at MarineLabs' s offices and/or facilities upon at least two (2) weeks advance written notice. MarineLabs shall, at no cost to District, furnish reasonable facilities and assistance during such review and audit. If any such inspection or audit reveals that MarineLabs has underpaid any Revenue Share payment due hereunder by more than 5%, MarineLabs shall also reimburse the District within 30 days after receipt of a copy of the inspection or audit report for all reasonable out-of-pocket costs and expenses incurred by the District for such inspection or audit. If an underpayment of the Revenue Share is determined by any such inspection or audit and MarineLabs does not dispute such finding, then MarineLabs shall pay to the District within 30 days after receipt of a copy of the inspection or audit report the amount of any such underpayment. If an overpayment of the Revenue Share for any quarterly period is determined by any such inspection or audit and the District does not dispute such finding, then the District shall pay to MarineLabs within 30 days thereafter the amount of such overpayment. Any such records or other information provided to District in connection with an audit shall be the confidential information of MarineLabs and shall subject to the confidentiality and non-use obligations of District to MarineLabs under this Agreement.

7. Representations and Warranties by MarineLabs. MarineLabs hereby represents and warrants to the best of its knowledge and belief that:

- a. MarineLabs has all requisite legal and corporate power and authority to enter into this Agreement and perform its obligations in accordance with the terms of this Agreement. The execution and delivery of this Agreement by MarineLabs and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action on the part of MarineLabs and no further action is required by MarineLabs in this regard. This Agreement has been duly executed and delivered by MarineLabs and constitutes the valid and binding obligation of MarineLabs enforceable against MarineLabs in accordance with its respective terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
- b. MarineLabs is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other person, entity or party in connection with the execution, delivery and performance by MarineLabs of this Agreement in accordance with its terms.
- c. The operation of the business of MarineLabs, as it is currently conducted and as proposed to be conducted, including MarineLabs' proposed activities in connection with the Project as contemplated hereby, has not, does not and will not infringe or misappropriate in any manner the intellectual property of any third party or constitute unfair competition or trade practices under the applicable laws of any jurisdiction.
- d. MarineLabs has not received written notice from any third party or any other overt threats from any third party, that the operation of the business of MarineLabs as

it is currently conducted and as proposed to be conducted, or any act, product or service of MarineLabs, infringes or misappropriates the intellectual property of any third party or constitutes unfair competition or trade practices under the applicable laws of any jurisdiction.

8. Representations and Warranties by District. District hereby represents and warrants to the best of its knowledge and belief that:

- a. District has all requisite legal and corporate power and authority to enter into this Agreement and perform its obligations in accordance with the terms of this Agreement. The execution and delivery of this Agreement by District and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action on the part of District and no further action is required by District in this regard. This Agreement has been duly executed and delivered by MarineLabs and constitutes the valid and binding obligation of District enforceable against District in accordance with its respective terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
- b. District is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other person, entity or party in connection with the execution, delivery and performance by District of this Agreement in accordance with its terms.
- c. The operation of the business of District, as it is currently conducted and as proposed to be conducted, including District proposed activities in connection with the Project as contemplated hereby does not and will not violate, and has

not violated, any state or federal laws, rules, or regulations applicable to the District and its business.

9. Operation of Business. MarineLabs will operate its business in a manner which will not knowingly infringe or misappropriate in any manner the intellectual property of any third party or constitute unfair competition or trade practices under the applicable laws of any jurisdiction.

10. Acknowledgement of District Support and District's Use of Project Data. In recognition of the District's support of the Project, MarineLabs agrees to acknowledge such by including the following statement in publicity, publication, marketing, reports and documentation about the Project in a manner, location, and size reasonably likely to be seen by the intended audience: "This demonstration project is made possible through the Port of San Diego's Blue Economy Incubator Program." Without the District's prior consent, which may be withheld or conditioned in each instances in its absolute discretion, MarineLabs shall not use the District's name, logo, or other intellectual property (other than the inclusion of the statement referenced in the preceding sentence, which inclusion shall not require the District's consent) or misrepresent the District's involvement or statements related to MarineLabs or the Project.

Additionally, District shall also have the right to use, reproduce, create derivative works from, publicize, and otherwise use for its benefit, all data and test results developed by, or on behalf of MarineLabs, related to the Project without cost to District, but District shall provide reasonable acknowledgement and credit to MarineLabs. Notwithstanding the foregoing, District shall not disclose any data or results that are deemed "Confidential" by MarineLabs, without MarineLabs' advance written consent. However, District's obligations regarding nondisclosure of "Confidential" information under this Agreement are subject to all applicable law, including without limitation, the California Public Records Act and the Ralph M. Brown Act. If, at the request of MarineLabs, District's withholds any MarineLabs' "Confidential" information that has been requested under the California Public Records Act is challenged by a requestor or other parties, MarineLabs shall indemnify and defend the District for any legal expenses related to the withholding of such information in accordance with Section 14. If MarineLabs fails to indemnify and defend, District may disclose the

information and shall not be in breach of this Agreement and shall not be otherwise liable to MarineLabs for such disclosure.

11. Independent Analysis and Waiver. MarineLabs shall perform, demonstrate and operate the Project, and provide the services as contemplated by this Agreement independent of the control and direction of the District, other than normal contract monitoring provided; however, MarineLabs shall possess no authority with respect to any District decision. While MarineLabs may seek subject matter advice and information from District employees or personnel, provision of such advice is at the sole and absolute discretion of the District, and District shall not be responsible or liable for any such advice or information that it may provide, or the absence of such. MarineLabs waives any and all claims for damages in reliance of any advice and/or information provided by the District and/or its personnel and agents.

12. Confidentiality.

- a. Confidential Information. For the purposes of this Agreement, “Confidential Information” means any non-public information about the disclosing Party’s business or activities that is proprietary and confidential, which shall include, but not be limited to, customer, subscriber or users lists, marketing plans, campaign strategies, and all business, financial, technical, and other information of either Party, including trade secrets, whether or not it is marked or designated by such Party as “confidential” or “proprietary” at the time of disclosure.
- b. Exclusions from Confidential Information. Confidential Information does not include any information that: (a) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing Party; (b) becomes publicly known and made generally available after disclosure by the disclosing Party to the receiving Party through no action or inaction of the receiving Party; (c) is already in the possession of the receiving Party at the time of disclosure by the disclosing Party, as confirmed by the receiving Party’s files and records; (d) is obtained by the receiving Party from a third party without a breach of the third party’s obligations of confidentiality; or (e) is independently developed by the receiving Party without use of or reference to the disclosing

Party's Confidential Information, as shown by documents and other competent evidence in the receiving Party's possession.

- c. Permitted Disclosures. Except with the prior written consent of the disclosing Party or as otherwise permitted in the Agreement, a receiving Party shall not use any Confidential Information of a disclosing Party in any manner nor shall it disclose the same other than: (a) to such Party's attorneys, accountants and financial representatives under a duty of confidentiality as may be reasonably necessary in order to receive their professional advice; (b) to such Party's employees and contractors who have a need to know and are obligated to maintain the confidentiality of such information; (c) in connection with any legal, governmental or administrative proceeding, provided that prior written notice of such disclosure is furnished to the disclosing Party in order to afford the disclosing Party a reasonable opportunity to seek a protective order, to the extent not otherwise prohibited by law; (d) to enforce provisions of this Agreement; or (e) as part of due diligence for any joint venture, acquisition, merger or other business combination with a third party where such third party has signed a non-disclosure agreement no less restrictive than the confidentiality provisions in this Agreement.
- d. Protection of Confidential Information. Each Party shall use commercially reasonable efforts to protect the secrecy and avoid disclosure and unauthorized use of the other Party's Confidential Information, including at least those measures the Party takes to protect its own confidential information of like importance. Each Party will be deemed to have met its obligations hereunder if it treats the other Party's Confidential Information with the same degree of confidentiality it affords its own sensitive business information.

13. Assignment. MarineLabs shall not assign or transfer voluntarily or involuntarily any of its rights, duties, or obligations under this Agreement without the express written consent of the Executive Director (President/CEO) of the District in each instance, which consent may be withheld in the sole and absolute discretion of the District provided, however, this Agreement may be assigned by MarineLabs to any successor through a merger, corporate reorganization, or sale of all or substantially all of MarineLabs' assets or business, upon written notice to the District, subject to any assignee assuming all rights and obligations of

the assignor, but no assignment shall relieve an assignor of any liabilities accruing prior to the date of such assignment.

14. Indemnity. To the fullest extent provided by law, MarineLabs agrees to defend, indemnify and hold harmless the District, its agents, officers or employees, from and against any claim, demand, action, proceeding, suit, liability, damage, cost (including all attorneys' fees) or expense for, including but not limited to, damage to property, the loss or use thereof, or injury or death to any person, including without limitation MarineLabs' officers, agents, subcontractors, employees ("Claim"), caused by, arising out of, or related to the Project, the performance or non-performance by MarineLabs as provided for in this Agreement, any materials, products or services provided by MarineLabs or failure to act by MarineLabs, its officers, agents, subcontractors and employees. MarineLabs' duty to defend, indemnify, and hold harmless shall not include any Claim arising from (i) the negligence or willful misconduct of the District, its agents, officers, or employees. The duty to indemnify, and the duty to defend the District as set forth herein requires that MarineLabs pay all reasonable attorneys' fees and costs that the District may incur associated with or related to enforcing the indemnification provisions and defending any Claim. The District may, at its own election, conduct its defense, or participate in the defense of any Claim. If the District chooses at its own election to conduct its own defense, participate in its own defense or obtain independent legal counsel in defense of any Claim, MarineLabs agrees to pay all reasonable attorneys' fees and all costs incurred by the District.

MarineLabs hereby further indemnifies the District, its agents, officers or employees against, and agrees to hold each of them harmless from, any and all damages, losses and/or liability incurred or suffered by any of them:

- (i) arising out of or related in any way to any misrepresentation or breach of any representation or warranty made by MarineLabs in this Agreement;
- (ii) arising out of or related in any way to any breach of any covenant or agreement to be performed by MarineLabs pursuant to this Agreement;

- (iii) arising out of or related in any way to the infringement by MarineLabs (including without limitation through use by MarineLabs or its licensees) of the intellectual property rights of a third party; or
- (iv) arising out of violations by MarineLabs of applicable law.

Settlement of Indemnity Claims. An indemnifying party may not settle any indemnified Claim in a manner that adversely affects an indemnified party without the prior written consent of such indemnified party (which consent shall not be unreasonably withheld, conditioned or delayed). In no circumstance may the indemnified party settle any Claim for which indemnification is due without the prior written consent of the indemnifying party (which consent shall not be unreasonably withheld, conditioned or delayed).

15. Insurance Requirements.

MarineLabs shall at all times during the term of this Agreement maintain, at its expense, the following minimum levels and types of insurance:

- a. Commercial General Liability (including, without limitation, Contractual Liability, Personal Injury, Advertising Injury, and Products/Completed Operations) coverages, with coverage at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence Form CG 0001) with limits no less than one million dollars (\$1,000,000) per Occurrence and two million dollars (\$2,000,000) Aggregate for bodily injury, personal injury and property damage.
 - i. The deductible or self-insured retention on this Commercial General Liability shall not exceed \$5,000 unless District has approved of a higher deductible or self-insured retention in writing.

- ii. (b) The Commercial General Liability policy shall be endorsed to include the District, its agents, officers and employees as additional insureds in the form as required by the District. An exemplar endorsement is attached (Exhibit B, Certificate of Insurance, attached hereto and incorporated herein).
 - iii. (c) The coverage provided to the District, as an additional insured, shall be primary and any insurance or self-insurance maintained by the District shall be excess of the Service Provider's insurance and shall not contribute to it.
 - iv. (d) The Commercial General Liability policy shall be endorsed to include a waiver of transfer of rights of recovery against the District ("Waiver of Subrogation").
- b. Workers' Compensation, statutory limits, is required of the Service Provider and all sub-consultants (or be a qualified self-insured) under the applicable laws and in accordance with "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Employer's Liability, in an amount of not less than one million dollars (\$1,000,000) each accident, \$1,000,000 disease policy limit and \$1,000,000 disease each employee. This policy shall be endorsed to include a waiver of subrogation endorsement, where permitted by law.
 - i. Professional Liability insurance in the amount of \$1,000,000 per claim and \$1,000,000 aggregate.
 - ii. At the end of the agreement period, Consultant shall maintain, at its own expense, continued Professional Liability insurance of not less than

five (5) years, in an amount no less than the amount required pursuant to this Agreement.

- iii. Alternately, if the existing Professional Liability is terminated during the above referenced five-year period, Consultant shall maintain at its own expense, "tail" coverage in the same minimum amount as set forth in this paragraph.
 - iv. All coverages under this section shall be effective as of the effective date of this Agreement or provide for a retroactive date of placement that coincides with the effective date of this Agreement.
- c. Umbrella or Excess Liability insurance with limits no less than one million dollars (\$1,000,000) per occurrence and aggregate. This policy must provide excess insurance over the same terms and conditions required above for the General Liability, Automobile Liability and Employer's Liability policies.
- d. MarineLabs shall furnish District with certificates of insurance coverage for all the policies described above upon execution of this Agreement and upon renewal of any of these policies. A Certificate of Insurance in a form acceptable to the District, an exemplar Certificate of Insurance is attached as Exhibit B and made a part hereof, evidencing the existence of the necessary insurance policies and endorsements required shall be kept on file with the District. Except in the event of cancellation for non-payment of premium, in which case notice shall be 10 days, all such policies must be endorsed so that the insurer(s) must notify the District in writing at least 30 days in advance of policy cancellation. MarineLabs shall also provide notice to District prior to cancellation of, or any change in, the stated coverages of insurance.

- e. The Certificate of Insurance must delineate the name of the insurance company affording coverage and the policy number(s) specifically referenced to each type of insurance, either on the face of the certificate or on an attachment thereto. If an addendum setting forth multiple insurance companies or underwriters is attached to the certificate of insurance, the addendum shall indicate the insurance carrier or underwriter who is the lead carrier and the applicable policy number for the CGL coverage.
- f. d. Furnishing insurance specified herein by the District will in no way relieve or limit any responsibility or obligation imposed by the Agreement or otherwise on MarineLabs or its sub-contractors or any tier of its sub-contractors. District shall reserve the right to obtain complete copies of any of the insurance policies required herein.

16. Independent Contractor. MarineLabs and any agent or employee of MarineLabs shall act in an independent capacity and not as agents, officers or employees of District. The District assumes no liability for MarineLabs' actions and performance, nor assumes responsibility for taxes, bonds, payments or other commitments, implied or explicit, by or for MarineLabs. MarineLabs shall not have authority to act as an agent on behalf of the District. MarineLabs disclaims the right to any fee or benefits except as expressly provided for in this Agreement. This Agreement does not form a legal partnership or agency relationship between MarineLabs and the District.

17. Advice of Counsel. The Parties agree that they are aware that they have the right to be advised by counsel of their choice with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the Parties hereto. This Agreement shall not be construed in favor of or against either party by reason of the extent to which each party participated in the drafting of the Agreement.

18. Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of California without giving effect to its principles or rules of conflict of laws to the extent such principles or rules are not mandatorily applicable by statute and would require or permit the application of the laws of another jurisdiction. For purposes of any claim, suit, action or proceedings arising out of or in connection with this Agreement, each of the parties hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts located in the County of San Diego in the State of California.

19. Independent Review. Each Party hereto declares and represents that in entering into this Agreement it has relied and is relying solely upon its own judgment, belief and knowledge of the nature, extent, effect and consequence relating thereto. Each Party further declares and represents that this Agreement is being made without reliance upon any statement or representation not contained herein of any other party, or any representative, agent or attorney of any other Party.

20. New Inventions. During the term of this Agreement, new innovations, inventions, trade secrets, technology, know-how, applications, and intellectual property, and other rights may be developed related to the Project or the subject matter of this Agreement by MarineLabs, the District, or jointly (collectively "New Inventions"). The Parties acknowledge that this Agreement does not contain agreements between MarineLabs and the District as to inventorship, assignment, ownership, licensing, right to use, or other intellectual property rights related to New Inventions. Any such agreements relating to New Inventions, if any, shall require a separate and new agreement. In the event that the Parties do not enter into a separate and new agreement, the parties acknowledge and agree that the ownership of any and all New Inventions shall be determined based on applicable law. Notwithstanding the foregoing, MarineLabs reserves the right, without limitation, to implement, or not to implement, material improvements that is (MarineLabs) deems to be new intellectual property.

21. Dispute Resolution.

- a) If a dispute arises out of or relates to this Agreement, or the alleged breach thereof, and is not settled by direct negotiation or such other procedures as may be agreed, and if such dispute is not otherwise time barred, the Parties agree to first try in good

faith to settle the dispute amicably by mediation administered at San Diego, California, by the American Arbitration Association, or by such other provider as the Parties may mutually select, prior to initiating any litigation or arbitration. Notice of any such dispute must be filed in writing with the other Party within a reasonable time after the dispute has arisen. Any resultant Agreements shall be documented and may be used as the basis for an amendment or directive as appropriate.

- b) The foregoing mediation procedures notwithstanding, all claim filing requirements of the Agreement documents, the California Government Code, and otherwise, shall remain in full force and effect regardless of whether or not such dispute avoidance and resolution procedures have been implemented, and the time periods within which claims are to be filed or presented to the District Clerk as required by said Agreement, Government Code, and otherwise, shall not be waived, extended or tolled thereby.

22. Compliance With Prevailing Wage Laws.

MarineLabs acknowledges and agrees that:

- a. any construction, alteration, demolition, installation or repair work required or performed under this Agreement constitutes "public work" under California Prevailing Wage Law, including Labor Code §§ 1720 through 1815, et seq. ("PWL"), and obligates MarineLabs to cause such work to be performed as "public work," including, but not limited to, the payment of applicable prevailing wages to all persons or entities subject to the PWL.
- b. MarineLabs shall cause all persons and/or entities performing "public work" under the Project to comply with all applicable provisions of the PWL and other applicable wage laws.
- c. District hereby notifies MarineLabs and MarineLabs hereby acknowledges that the PWL includes, without limitation, Labor Code § 1771.1(b) that provides that the requirements described in Labor Code § 1771.1(a), copied below, shall be included in all bid invitations and "public work" contracts: (a) A contractor or subcontractor shall not be qualified to bid on or be listed in a bid proposal, subject to the requirements of § 4104 of the Public Contract

Code, or engage in the performance of any contract for “public work”, as defined in this chapter, unless currently registered and qualified to perform “public work” pursuant to § 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by § 7029.1 of the Business and Professions Code or by § 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform “public work” pursuant to § 1725.5 at the time the contract is awarded.

- d. MarineLabs acknowledges that its obligations under the PWL include, without limitation, ensuring:
 - 1. Pursuant to Labor Code § 1771.1(b), a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor’s current registration to perform “public work” pursuant to § 1725.5.
 - 2. Pursuant to Labor Code § 1771.4(a)(1) the call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations (DIR).
 - 3. Pursuant to Labor Code § 1771.4(a)(2) that it post or require the prime contractor to post job site notices, as prescribed by regulation.
 - 4. Pursuant to Labor Code § 1773.3(a)(1) that it provide notice to the Department of Industrial Relations of any “public works” contract subject to the requirements of this chapter, within five days of the award. Pursuant to Labor Code § 1773.3(a)(2) the notice shall be transmitted electronically in a format specified by the department and shall include the name of the contractor, any subcontractor listed on the successful bid, the bid and contract award dates, the contract amount, the estimated start and completion dates, job site location, and any additional information the department specifies that aids in the administration and enforcement of this chapter. PWC-100 is the name of the form currently used by the DIR for providing the notice, but MarineLabs shall determine and use whatever form the DIR requires.

- e. District is not responsible for MarineLabs' failure to comply with any applicable provisions of the PWL, and
- f. MarineLabs' violations of the PWL shall constitute a default under this Agreement.

23. Compliance With All Applicable Laws (including Environmental Laws). MarineLabs and its sub-contractors shall comply with the California Fair Employment and Housing Act, the American with Disabilities Act, and all other applicable federal, state, and local laws prohibiting discrimination, including without limitation, laws prohibiting discrimination because of age, ancestry, color, creed, denial of family and medical care leave, disability, marital status, medical condition, national origin, race, religion, sex, or sexual orientation. MarineLabs shall comply with the prevailing wage provisions of the Labor Code, and the Political Reform Act provisions of the Government Code, as applicable. MarineLabs shall procure, at its expense, any licenses, permits, insurance, and government approvals necessary to the operation of its business.

MarineLabs shall comply with all applicable District rules and policies, ordinances and regulations applicable to the performance of any services contemplated by this Agreement as exist now or as may be added or amended, including without limitation, policies relating to safety and the handling of biohazards.

24. Captions; Headings. The captions and/or headings by which the paragraphs of this Agreement are identified are for convenience only and shall have no effect upon its interpretation.

25. Force Majeure. Neither Party shall be held responsible for any delay or failure in performance to the extent that such delay or failure is caused by fires, embargoes, floods, wars, labor stoppages, or acts of God.

26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which when taken together shall be one and the same instrument. This Agreement may be executed by facsimile signature or signature transmitted via scan/email.

27. Attorneys' Fees. If any dispute arises between the Parties with respect to matters covered by this Agreement which leads to a proceeding to resolve such dispute, the prevailing party in any such proceeding shall be entitled to receive its reasonable attorneys' fees, expert witness fees and out-of-pocket costs incurred in connection with such proceeding, in addition to any other relief to which it may be entitled.

28. Severability. If any provision of this Agreement is inoperative or unenforceable for any reason in any jurisdiction, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case, circumstance or jurisdiction, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, Sections or subsections of this Agreement in any jurisdiction shall not affect the remaining portions of this Agreement in such jurisdiction or in any other jurisdiction.

29. Amendment; Waivers. This Agreement shall not be amended, supplemented or modified except in a writing executed by authorized representatives of the Parties. Waiver by a Party of any breach of any provision of this Agreement by the other Party shall not operate, or be construed, as a waiver of any subsequent or other breach.

30. Notice. All notices, requests, demands and other communications made in connection with this Agreement shall be in writing and shall be deemed to have been duly given (a) if sent by first-class registered or certified mail, return receipt requested, postage prepaid, on the fifth day following the date of deposit in the mail, (b) if delivered personally, when received, or (c) if transmitted by facsimile, email transmission or other telegraphic communications equipment, when confirmed, in each case addressed to the parties identified herein below. Further,

If to the District:

Jason Giffen

Vice President

Planning & Environment

San Diego Unified Port District

P.O. Box 120488
San Diego, CA 92112-0488
Tel. 619-686-6473
Email: jgiffen@portofsandiego.org

If to MarineLabs

Scott Beatty
CEO
MarineLabs Data Systems Inc.
801 Travis Street
Houston, Texas 77002
Tel. 1 (778) 400-1370
Email: scott.beatty@marinelabs.io

31. Integration. This Agreement, along its exhibits and schedules, contains the entire Agreement between the Parties and supersedes all prior negotiations, discussion, obligations and rights of the Parties in respect of each other regarding the subject matter of this Agreement. There is no other written or oral understanding between the Parties.

32. Authorization. It is an express condition of this Agreement that said Agreement shall not be effective until signed by either the Executive Director (President/CEO) or authorized designee on behalf of the District and by authorized representative of MarineLabs.

33. Further Assurances. Each of the Parties hereto agrees to execute all such further instruments and documents and to take all such further action as the other Party may reasonably require in order to effectuate the terms and purposes of this Agreement. The Parties shall act in good faith in the performance of their obligations under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their officers thereunto duly authorized as of the day and year first written above. The Parties acknowledge and agree that this Agreement does not become effective until it has been signed by all parties indicated below.

"District"

"MarineLabs"

**SAN DIEGO UNIFIED PORT DISTRICT,
A Public Corporation**

**MARINELABS DATA SYSTEMS
(USA) INC.
a Private Corporation**

By: _____
Signature

Name: Jason Giffen

Title: Vice President

Date: _____

By: _____
Signature

Name: Scott Beatty

Title: CEO

Date: April 22, 2025

APPROVED AS TO FORM AND LEGALITY:

GENERAL COUNSEL

By:

Deputy/Assistant

EXHIBIT A

Scope of Work

Pilot Project Summary

The aim of this two-year pilot project is to demonstrate MarineLabs' Coastal Intelligence Data system including its sensor nodes and private buoys, leveraging Port test sites and subject matter expertise. In conjunction with the Port, MarineLabs will deploy five (5) sensor nodes (see Figure 1.2) units on private floats located in the immediate San Diego Bay area. The locations will be selected based on site surveys and input from the Port's environmental review team, permit providers, and relevant associated parties. An additional five (5) sensor nodes will be deployed onto USCG Aid to Navigations (AtoN) locations after receiving permission from USCG District 11.

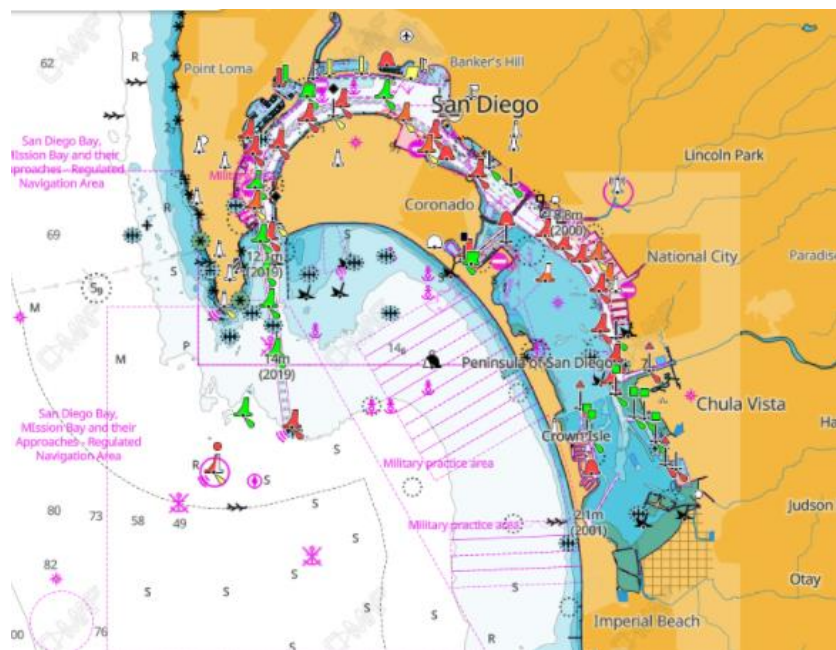


Figure 1.1 San Diego Bay Deployment Area

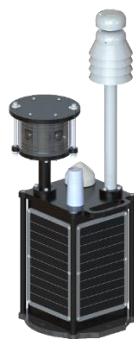


Figure 1.2 MarineLabs Sensor Node



Image 1.3 Sensor Node on MarineLabs Private Float, Overall diameter 2.95 feet, meets or exceeds all USCG PATON regulations.



Image 1.4 Sensor Node on USCG AtoN.

Scope and Deliverables

Phase 0: Execution of the Agreement

Phase 1: Site evaluation and location confirmation

Phase 2: Permitting and USCG approval for private floats

Phase 3: Equipment Manufacturing and delivery to San Diego Bay area

Phase 4: Installation of equipment phase 1 – 5 units on private floats

Phase 5: Demonstration and training for user groups

Phase 6: USCG approval for AtoN mounting of 5 units on USCG resources

Phase 7: Installation of equipment on USCG Aids to Navigation

Phase 8: Addition of units 6-10 to user group access

Phase 9: Data review and reporting

Phase 10: Removal of units at the end of 24-month period, if required.

Phase 11: Final report and review with stakeholders

Phase 0: Execution of the Agreement (May 2025)

- Execution of the written agreement currently circulated.
- Identify pilot program data users, report recipients and stakeholders
- Identify potential locations of MarineLabs private float buoys (image 1.3)

Phase 1: Site Evaluation and Location Confirmation (May 2025)

- Travel to the San Diego Bay area and review of locations recommended by San Diego Unified Port District and MarineLabs Operations team
- Identify location for any ground-based support cameras, network connections and power for said items
- Submission of final locations to San Diego Unified Port District and stakeholders for approval with specific Latitude and Longitude co-ordinates

Phase 2: Permitting and USCG approval for private floats (Late May 2025)

- Submit final location drawings to USCG District 11 for approval as per Private AtoN registration
- Secure any required local permits with assistance from the Port

Phase 3: Equipment Manufacturing and delivery to San Diego Bay area (June 2025)

- MarineLabs will complete Manufacturing and delivery of 5 Sensor node units with private floats to San Diego Bay area (image 1.3)
- Registration of assets with local agencies
- Testing of data transmission prior to installation on the water

Phase 4: Installation of equipment phase 1 – 5x units on private floats (June 2025 pending weather and permitting)

- Installation of 5x Sensor node units on Private floats in previously identified locations by a combination of MarineLabs deployment staff and U.S. approved contractors hired by MarineLabs with Port assistance
- Installation of, or access to data established from existing ground-based camera support units if required
- Testing for data transfer on the water
- Creation of user group for San Diego units

Phase 5: Demonstration and training for user groups (July 2025)

- San Diego Unified Port District to provide a list of approved Port users
- Registration of San Diego users via self-serve subscription login
- Coordination with MarineLabs Customer Service team to schedule training dates
- Demonstration and training for user groups

Phase 6: USCG approval for AtoN mounting of 5 units on USCG resources (August 2025)

- MarineLabs and San Diego Unified Port District discussions with USCG District 11 to obtain permission to mount Sensor nodes on 5 USCG Aids to Navigation (AtoN) within the defined operating area in Image 1.1
- Complete 3rd party use agreement with USCG (either sector, district, or national)

- Obtain list of AtoNs approved for installation
- Confirm process for deployment (USCG and/or MarineLabs and approved contractor)

Phase 7: Installation of equipment on USCG Aids to Navigation (August-Sept 2025 pending approval)

- MarineLabs will complete Manufacturing and delivery of 5 units for mounting onto USCG AtoNs to San Diego Bay area
- Delivery of 5 Sensor node units and mounting hardware to San Diego Bay Area
- Installation on to USCG AtoNs as per process approved in Phase 6

Phase 8: Addition of units 6-10 to user group access (Sept 2025 pending approval)

- Addition of units 6 – 10 to San Diego Users group
- Provide any additional training to ensure users have access to new locations

Phase 9: Data review and reporting June 2025-June 2027

- Data Review monthly with quarterly reports
- Usage data, environmental climate reports , wake totals, image captures and other KPIs as per standard MarineLabs reports will be emailed to program coordinators and stakeholders as identified in Phase 0.

Phase 10: Removal of units at the end of 24-month period (minimum of one-year deployment for all units), if required. (July 2027)

- MarineLabs to Coordinate the removal of any and all units not extended for use by signature on a Master Subscription agreement by June 1, 2027 and as requested by either the USCG or the San Diego Unified Port District.
- As per process identified in Phase 6

Phase 11: Final report and review with stakeholders Sept 2027

- MarineLabs to provide a final report and conduct interviews with users and stakeholders
- Usage data, environmental climate reports, wake totals, image captures and other KPIs as per standard MarineLabs reports will be emailed to program coordinators and stakeholders as identified in Phase 0

Data collection and Reporting Requirements

MarineLabs Data Systems shall collect, at a minimum, the following data and include such in its database:

Time series data sets describing variables at each deployment site including:

- Wind speed
- Wave height
- Camera Images
- Wake events with AIS attributions

MarineLabs will provide progress reports per each Phase's deliverable schedule. Beginning on phase four (4) reports can be delivered on a quarterly basis. Data will be visible to all users registered through the CoastAware platform and approved in advance. Throughout the deployment period MarineLabs will provide the Port with CoastAware login and coordinate with users to ensure data and reports are received. The final report will summarize the entire project and include the technical specifications for the 10 Sensor node locations.

Success Metrics

KPI's for this project will include (but are not limited to)

- Sensor node uptime percentage, individual and regional fleet wide
- Number of wake events detected (per quarter)
- Number of vessels identified (per quarter)
- Types of vessels identified (per quarter)
- Number of vessel images captured (per quarter)
- Number of Port and Affiliated users accessing CoastAware (per quarter)

Appendix:

MarineLabs Data Systems

CoastAware is a Real-Time coastal intelligence service that provides persistent Real-Time coastal domain awareness and climate resilience data from fleets of rugged, cell and satellite network connected marine wind/wave/camera sensor nodes that can be rapidly deployed on any buoy. CoastAware Vessel Monitoring leverages high resolution buoy data, Automated Identification System (AIS) data, and machine learning algorithms to detect and attribute vessel wake events to individual vessels and vessel types.

The Relevant Technological Highlights include:

1. The technology provides persistent long-term monitoring and data collection with motion detections every 1/8 sec, and vessel wake alerts within 15 minutes of a detection;
2. The technology can be rapidly deployed on existing floating assets such as aids to navigation and marker buoys as well as on private floats operated by MarineLabs;
3. In addition to wake detection, the technology also features 360-degree cameras;
4. Long term continuous wind, wave, and vessel wake data from the sensor nodes can be used for climate hazard assessments, aiding the design and upgrade of port infrastructure, making these projects more cost efficient and climate resilient.

This rapidly deployable continuous domain awareness solution can ensure that ports, natural harbours, and localized coastal regions of vital economic and security interest have persistent awareness of environmental conditions and vessel traffic impacts on Port infrastructure.

Pilot Project Technology Description

1. In Situ Data Collection and Edge Processing

Up to 10 LTE+Satellite connected sensor nodes with 5 rapidly deployed on buoys and another 5 on to USCG AtoN (pending approval) will be used to measure long term, persistent time series wind, wave, camera, and vessel wake data. These units consist of GPS and Inertial motion sensors, rugged camera modules, wind sensors, computers, battery, data storage and telemetry components integrated into a compact, ruggedized, self-contained, solar-powered housing. The sensor nodes are proprietary and novel technology, with over 175 buoy-years in operation in Canadian waters from Newfoundland to Halifax and Prince Rupert to Victoria to Sabine, TX at >95% uptime, with maximum waves measured over 17.5m including the world's most extreme rogue wave. Buoy motion data is captured and stored onboard, with raw data transmitted to cloud ingestion layers.

2. Cloud Data Processing

A secure cloud-based data system receives sensor node data, stores it in a secure database, and triggers subsequent actions.

3. Vessel Wake AI Detection

A MarineLabs proprietary wake detection algorithm, running on a secure cloud GPU, combs through every buoy motion data file, and identifies vessel wakes by their time, height, power level, and other attributes. If a wake is detected, the wake event information is stored securely on MarineLabs servers.

4. AIS Attribution

In the next cloud layer, AIS (Automatic Identification System) vessel data at 2-minute update resolution or faster from a pre-specified regional bounding box covering the monitoring location is received via trusted 3rd party API. A proprietary MarineLabs attribution algorithm cross references the buoy-detected wake event data. The algorithm records all probable links formed between AIS ship path and buoy wakes detected in an indexable format. Non-AIS attributed vessel wakes are also logged.

5. Alerts System

After a vessel wake is detected and AIS cross-referenced, an optional alerts system compiles wake information and metadata and sends an alert to a specified user group. The alert system can auto-generate an email and/or SMS with short notification text and link to the wake event for further review in the CoastAware platform.

6. Display and Reporting

After the processing pipeline is complete, the results from the indexed format can be loaded and reviewed by users of the CoastAware platform for historical or forensic analysis, where images, wake height, power level, time, estimated vessel distance, vessel direction of travel, vessel type and other AIS insights can be viewed and reported. Annually, all data will be compiled into actionable climate resilience and vessel wake reports identifying precise weather conditions that can validate coastal models and be relied on by the Port for infrastructure design and upgrades, while the vessel wake reports will provide precise vessel transit counts enabling erosion impact studies, accurate vessel driven GHG assessments.

EXHIBIT B
Certificates of Insurance

Will be provided after Signature