



License to Operate a Private Remote Sensing Space System

Licensee: SpaceVR, Inc.

Name of System: Overview 1A & 1B

Type of System: Panchromatic camera

Effective Date: November 5, 2016 **License**

1. Grant of License

- a. The National Environmental Satellite, Data and Information Service of the National Oceanic and Atmospheric Administration (NOAA), an agency of the U.S. Department of Commerce, hereby grants **SpaceVR, Inc.**, (herein "the Licensee"), a License ("the License"), to operate the Licensee's private remote sensing space system described below at Section 3 of this License ("the System"), consistent with the terms of this License. This License's terms and conditions reflect, among other significant provisions, the System parameters and operating conditions approved by the Secretary of Commerce, or his or her delegate ("the Secretary").
- b. This License is granted under the authority of Subtitle VI of the National and Commercial Space Programs Act of 2010 ("the Act"), 51 U.S.C. §§ 60101 et seq.; the regulations promulgated thereunder, 15 CFR Part 960 ("the regulations"); and the U.S. Commercial Remote Sensing Space Policy of April 25, 2003. The authorization provided by this License is limited to the remote sensing operations of the System. It does not provide authorization for the conduct of any non-remote sensing operations that are proposed to be undertaken by the System.
- c. The Licensee shall ensure that the information provided to NOAA and relied upon in issuing this License, and/or any subsequent licensing action, is current and accurate. Consistent with the time limits set forth in the regulations and this License, failure to notify NOAA in a timely manner of any changes to that information on which the determination to issue this License or a subsequent

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licensing action was or will be made may result in penalties for noncompliance being levied for each inaccuracy and/or license suspension or revocation. (*See, 15 CFR §§ 960.11(a), 960.13 and 960.15*).

- d. In the event that factual circumstances surrounding the issuance of this License or any subsequent licensing action change, including but not limited to the factual representations upon which NOAA relied in the production of this document, NOAA reserves the right to reexamine and/or revoke this License or any subsequent licensing action at that time.
- e. The terms and obligations of this License shall bind the Licensee's affiliates, subsidiaries, assigns, heirs, and successors (whether through merger, acquisition or otherwise).
- f. This License shall not be transferred or assigned by any means, including without limitation, by operation of law or merger, by the Licensee, without the prior written consent of NOAA.

2. Term of License

- a. This License for operation of the System shall be valid from the effective date through the operational lifetime of the System or until the Secretary determines that the Licensee is not in compliance with: the requirements of the Act; the regulations promulgated thereunder; the terms and conditions of this License; or that the Licensee's activities or operation of the System are not consistent with the national security, foreign policy and the international obligations of the United States. (*See, 15 CFR § 960.9(a)*).
- b. The Licensee shall notify the NOAA Assistant Administrator for Satellite and Information Services within seven (7) days of financial insolvency, dissolution, the demise of its System, or of its decision to discontinue system operation. Upon notification, the Assistant Administrator will terminate the License. (*See, 15 CFR § 960.9(b)*).

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3. System Description

The System is described as follows, based upon the information received in the Licensee's application dated June 8, 2016 and subsequent information provided to NOAA. Details of the approved System configuration are included in Appendix 2.

System's Name: **Overview 1A & 1B**

System Type: **EO Cameras**

Resolution: **215.2M Panchromatic (PAN) Ground Sample Distance (GSD)**

Location of Mission Control Center: **San Francisco, CA**

Alternate Mission Control Center: **TBD**

Location of Remote Ground Station(s): **See Attachment 1**

4. Conditions and Operational Parameters of the System:

- a. The Licensee shall operate its System in a manner that preserves the national security and observes the foreign policy and international obligations of the United States.
(*See, 15 CFR § 960.11(b)(1)*).
- b. The Licensee shall maintain operational control of the System from a location within the United States at all times, including the ability to override all commands issued by any operations centers or stations, as well as safeguards to ensure the integrity of the operations of the System.
(*See, 15 CFR § 960.11(b)(2)*).
- c. Satellite tracking, telemetry and control (TT&C) and data transmission and storage must be encrypted, using U.S. Government approved encryption. The encryption package is listed in Appendix 2.
- d. NOAA must review and approve the Licensee's Data Protection Plan to ensure adequate protection for all uplinks, downlinks, and data relay.

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- e. The licensee is permitted to operate and conduct space-based Earth imaging and non-Earth imaging (NEI) of naturally occurring phenomena.

NOTE 1: Only the employees of the Licensee are authorized to view and edit raw data.

NOTE 2: If NEI includes any incidental images of unresolved artificial objects, these may be distributed publicly without prior NOAA approval if meta-data such as time, position and attitude of the sensor are removed. Distribution of those images with such meta-data requires prior NOAA approval.

NOTE 3: If NEI includes any incidental images of resolved artificial objects, these may not be disseminated without prior NOAA approval and permission from the owner/operator of that object. If the object owner is not able to be identified, or does not give permission for their object to be released, then the Licensee must edit the image so the object is blacked out.

- f. The Licensee is authorized to operate in the PAN spectrum from 380-650 nm.
- g. The Licensee shall immediately notify NOAA of any significant operational deviation or proposed deviation of the System which would violate the conditions of the License. This includes notification of any tests of downlinking data to prospective ground stations not authorized as being part of the System by the terms of this license. In the case of such testing, the Licensee shall notify NOAA, in writing, at least 14 days prior to its commencement.
(*See, 15 CFR § 960.11(b)(11)*).

5. Limitations on Data Collection and/or Dissemination During Periods of Crisis

- a. The Licensee may be required by the Secretary of Commerce, after consultations with the Secretary of Defense or the Secretary of State, to limit data collection and/or distribution by the System as determined to be necessary to meet significant national security or significant foreign policy concerns or international obligations of the United States. NOAA will promptly notify the Licensee when such limitations may be required and the duration of the restricted period(s).
(*See, 15 CFR § 960.11(b)(4)*).
- b. The Licensee shall, on request, provide unenhanced restricted images collected by the System on a commercial basis exclusively to the U.S. Government, using U.S. Government-approved rekeyable encryption on the downlink.

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- c. The Licensee shall use a data downlink format that allows the U.S. Government access to and use of these data during such restricted periods as set forth in Section 5 (a) of this License. This access will be documented in the NOAA-approved Data Protection Plan.
6. **Imaging Restrictions regarding the State of Israel Imposed by the 1997 Defense Authorization Act, Pub. L. 104-201, Div. A, Title X, Section 1064**
The Licensee shall not operate the System in such a manner as to disseminate images of the State of Israel at a resolution more detailed and precise than the current level of precision of satellite imagery readily and consistently available from non-U.S. commercial sources. "Israel" includes the State of Israel and those territories occupied by Israel in June, 1967 (the Gaza Strip, the Golan Heights, and the West Bank). NOAA will advise the Licensee regarding: (1) changes to the current level of precision of satellite imagery for the State of Israel, and (2) changes in the status of Israeli-occupied territories, if any. (*See* 51 U.S.C. § 60121 *note*.)
7. **Significant or Substantial Foreign Agreements**
The Licensee shall notify NOAA of any significant or substantial agreement ("the agreement") the Licensee intends to enter with a foreign nation, entity, or consortium, at least 60 days before concluding such an agreement. The Licensee may not execute the agreement until NOAA has approved it in writing.
(*See*, 15 CFR §§ 960.8 and 960.11(b)(5)).
8. **Provision of Data to Sensed States**
Subject to the terms and conditions of this License, the Licensee shall make available to the government of any country, including the United States, unenhanced data collected by the System concerning the territory under the jurisdiction of such government, as soon as such data are commercially available and on reasonable commercial terms and conditions. Upon receiving an unenhanced data request from a government seeking to exercise its rights as a "sensed state" as defined within the Act, the Licensee shall consult with NOAA.
(*See*, 15 CFR § 960.11(b)(10)).
9. **Provision of Data to the National Archive**
 - a. Subject to the terms and conditions of this License, the Licensee shall make available unenhanced land data collected by the System requested by the Department of the Interior on reasonable cost and conditions as agreed by the Licensee and the Department of Interior. After the expiration of any exclusive right to sell, or after a reasonable period of time, as agreed with the Licensee, the Department of Interior shall make these data available to the public at the cost of

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fulfilling user requests, except for data which under this license may be approved for release only to the U.S. Government or U.S. Government-approved users.
(*See, 15 CFR § 960.11(b)(8)*).

- b. Before purging any land data collected by the System in the Licensee's possession, the Licensee shall offer such data to the National Satellite Land Remote Sensing Data Archive at the cost of reproduction and transmission. Except for data which under this license may be approved for release only to the U.S. Government or U.S. Government-approved users, the Department of Interior shall make these data available immediately to the public at the cost of fulfilling user requests.
(*See, 15 CFR § 960.11(b)(9)*).
- c. The Licensee shall provide to NOAA upon request, a complete list of all archived, unenhanced land data which has been collected by its System which is not already maintained in a public catalog. Any information on this list which is deemed proprietary by the Licensee should be so noted by the Licensee when the list is provided.
(*See, 15 CFR § 960.11(b)(7)*).

10. Monitoring and Compliance Requirements

- a. The Licensee shall comply with all monitoring and compliance requirements established by NOAA. These requirements are contained in Appendix 1.
(*See, 15 CFR § 960.11(b)(3)*).
- b. The Licensee shall allow NOAA access, at all reasonable times, to all facilities which comprise the System for the purpose of conducting License Monitoring and Compliance audits and inspections. NOAA shall conduct all such enforcement activities as are necessary and authorized to ensure the Licensee's compliance with the conditions of this License, the Act, and the regulations promulgated thereunder.
(*See, 15 CFR §§ 960.11(b)(3) and 960.14*).

11. Disposal of Licensee's System

Consistent with the Act, the Licensee shall perform all actions necessary to place the spacecraft in a safe configuration for deorbit. Prior to de-orbiting the spacecraft, all stored energy sources on board the satellite will be discharged. The Licensee will deorbit the spacecraft by means of an uncontrolled atmospheric re-entry. Satellite lifetime shall be no longer than 25 years after mission completion. No debris from the satellite is expected to reach the Earth's surface.
(*See, 15 CFR § 960.11(b)(12)*).

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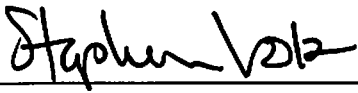
12. Amendments to Licenses

- a. Prior to undertaking any of the actions identified in 15 CFR § 960.7(a), the Licensee must promptly file all relevant information with NOAA.
- b. Applications for an amendment to an existing License shall be filed at the same address at which the License application was filed, unless otherwise explicitly designated by NOAA.
(*See, 15 CFR §§ 960.7(b) and 960.7(f)(1)*).

13. Requirements for Additional Licenses and/or Other Governmental Approval

- a. The issuance of a License does not relieve the Licensee of the obligation to obtain other Licenses and specific written approval from other appropriate U.S. Government agencies, pursuant to applicable statutes, regulations, or contracts. Such Licenses or written approval may include Licenses for the employment of foreign nationals at any facility involved in the implementation of this License, and for the use of any intellectual property.
- b. Licensed operations are subject to all applicable U.S. law including, but not limited to, any statutory restrictions or sanctions on trade.
- c. Once the satellite is launched into orbit, the Licensee is required to register the payload with the U.S. Department of State Bureau of Oceans and International Environmental and Scientific Affairs, Office of Space and Advanced Technology which maintains the U.S. national registry of space objects pursuant to the Convention of the Registration of Objects Launched into Outer Space.

IN WITNESS THEREOF, I hereby grant this License:



November 5, 2016

Stephen Volz
Assistant Administrator
NOAA Satellite and Information Services

Appendices

Appendix 1:	Monitoring and Compliance Requirements
Appendix 2:	Operational and Technical Information
Appendix 3:	Corporate Information
Appendix 4:	Administrative Actions

Appendix 1

Monitoring and Compliance Requirements

1. Annual Compliance Audit

An on-site audit shall be conducted by the NOAA Commercial Remote Sensing Regulatory Affairs Monitoring and Compliance Activity at least annually, following the issuance of a license, to confirm the licensee's compliance with the national security, foreign policy, and international obligations of the United States and compliance with all other license conditions.

2. Pre-Launch Requirements

No Later Than Twelve Months Prior to Launch

- a. Submit operations plan for agency approval describing how licensee will comply with data collection restrictions, operational limitations, or any data protection plans, as required.
- b. Submit operations plan for restricting collection and/or dissemination of imagery of Israeli territory to that which is no more detailed or precise than what will be available from non-U.S. commercial sources during the time of the licensee's planned operations.

No Later Than Six Months Prior To Launch

- a. Submit a data flow diagram that graphically represents the data flow from the sensor to the final product delivery locations.
- b. Submit satellite sub-systems drawing showing the various sub-system locations on the satellite.
- c. Submit a final imaging system specification document for each sensor. This must be coordinated with the imaging system contractor.
- d. Verify all data protection plans for accuracy and submit updated plans to NOAA.

No Later Than 30 Days Prior To Launch

- a. Coordinate close out photo session.
- b. Coordinate on-site inspections of CONUS and overseas locations.
- c. Coordinate final documentation review and close any outstanding actions with NOAA.

3. Spacecraft is Operational

Prepare for NOAA's site visit to review and confirm operational baseline.

4. Quarterly Reporting

Initiate quarterly reporting to NOAA.

5. Annual Operational Audit and Record Keeping

In addition to the information required for the Annual Compliance Audit, all records and data from the previous twelve months pertaining to the following will be maintained by the licensee: Spacecraft telemetry; imaging sensor tasking and associated metadata to include date/time of collection, image number, imager used, image corner points in latitude/longitude, inertial position (x, y, z), scan duration, azimuth; Imagery data purges and purge alerts provided to the National Satellite Land Remote Sensing Data Archive (the National Archive).

Note: Guidance on reporting formats and other specific audit requirements will be provided under separate cover by NOAA's Commercial Remote Sensing Regulatory Affairs Monitoring and Compliance Activity.

Appendix 2

Operational and Technical Information

Orbital Parameters

Launch Date: NET Feb 2017

Launch Site: Kennedy Space Center, FL

Altitude: 409-416 km (deployment from ISS)

Inclination: 51.6 degrees

Period: 92.7 mins

Space Segment

System: 2 satellites

Uplinks/downlinks: 2072 MHz and 8084 MHz

Encryption: AES 256

Ground Segment: See Attachment 1

Appendix 3 Corporate Information

Licensee:

SpaceVR, Inc
45 Lansing Street Suite #2105
San Francisco, CA 94105
+1 (415) 570-3691

POC:

Ryan Holmes CEO
Blaze Sanders – SpaceVR Chief Technology Officer

Ten Percent or Greater Domestic Ownership:

Ryan T. Holmes (CEO), 33%
Blaze D. Sanders (CTO), 15%

Joint Venture Members:

None

Wholly-owned Subsidiaries:

None

Affiliates:

None

Partners:

None

Foreign Ownership with Interest Equal to or Greater than 5 Percent:

Varun Vruddhula (Senior Aerospace Engineer), 5%

Directors, Partners, Executive Personnel or Senior Management Who Hold Positions with or Serve as Consultants for Any Foreign Nation or Person:

Joanna Wei – Co-Founder of Beijing Makerspace

Each Foreign Lender and Amount of Debt Where Foreign Indebtedness Exceeds 25 Percent of an Applicants Total Indebtedness:

Shanda Group. USD \$1,000,000 note, convertible to 17% ownership in SpaceVR, Inc. common shares. At the time of this writing, SpaceVR's total capitalization is valued at USD \$6,000,000 per agreement with Shanda.

Appendix 4
Administrative Actions

	<u>Date</u>	<u>Description of Administrative Action Taken</u>
1.	11/5/16	Issuance of the License



**Attachment 1
Ground Station List**

The Ground Stations are approved for use by the **SpaceVR Inc** satellites are:

Mission Control Center: San Francisco, CA

Alternate Mission Control Center: N/A

Remote Ground Stations:

Brewster, WA

Brisbane, Australia

Usingen, Germany

NOAA must approve any Ground Station not listed above prior to the commencement of operations.