

**GENERAL CONTRACT TERMS
FOR COOPERATIVE RESEARCH PROJECTS
OF SILICON AUSTRIA LABS GMBH
("TERMS")**

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TABLE OF CONTENTS

1. DEFINITIONS	4
2. RESEARCH & DEVELOPMENT TASKS	6
3. WORK PACKAGES, DELIVERABLES, MILESTONES	7
4. INVOLVEMENT OF THIRD PARTIES IN THE PROJECT	7
5. INTELLECTUAL PROPERTY RIGHTS	7
5.1. General	7
5.2. Background IP	7
5.2.1. Ownership in Background IP	7
5.2.2. Notification of Prior Rights and encumbrances	8
5.2.3. Access Rights to Background IP for the performance of the Project	8
5.2.4. Access Rights to Background IP for use or exploitation of Project Results outside the Project	8
5.3. Solely Generated Foreground IP	9
5.3.1. Ownership in Solely Generated Foreground IP	9
5.3.2. Access Rights to Foreground IP for the performance of the Project	9
5.3.3. Access Rights to Foreground IP for use or exploitation of Project Results outside of the Project	9
5.3.4. Special Access Rights for Company Partners	10
5.3.5. Special Access Rights for SAL	10
5.3.6. Special Access Rights for Scientific Partners	10
5.3.7. IP Transfer and/or Licencing Option for Company Partners	10
5.3.8. Costs of registering and maintaining IP Rights	11
5.3.9. Inventor remuneration	11
5.3.10. Right of first refusal	11
5.3.11. Transfer of ownership of Foreground IP to Third Parties	11
5.4. Jointly Generated Foreground IP	11
5.4.1. Co-ownership of Jointly Generated Foreground IP	11
5.4.2. Rights of first refusal	13
6. PUBLICATIONS	13
7. CONFIDENTIALITY	14
8. PAYMENT TERMS AND COOPERATION MODEL	15
8.1. Project Calculation	15
8.2. Financing of the Project	15
8.3. Invoicing	16
9. WARRANTY AND LIABILITY	16
9.1. Warranty and Guarantee	16
9.2. Liability	16
10. THIRD PARTY CLAIMS	17
11. TERMINATION	17
11.1. Termination	17
11.2. Continued effect of rights and obligations	18
12. FORCE MAJEURE	18
13. PLACE OF JURISDICTION AND APPLICABLE LAW	18
13.1. Place of Jurisdiction	18
13.2. Applicable Law	18
14. FINAL PROVISIONS	19
14.1. Intuitu personae	19

14.2. Correspondence and Alterations	19
14.3. Personal Data and Data Protection	19
14.4. Severability Clause	19
14.5. Entire agreement.....	19
14.6. Conflicting provisions	20

PREAMBLE

Silicon Austria Lab GmbH, Sandgasse 34, 8010 Graz, FN 459345h ("**SAL**") is a research and development institution specialising mainly in electronic-based systems. SAL is partially financed by public funds that are not considered being subsidies. Nevertheless, legal regulations with respect to European State Aid Law (Europäisches Beihilfenrecht) apply. SAL will be regularly audited by the Austrian, the Carinthian, the Styrian and the Upper Austrian Court of Auditors (Rechnungshof) and quality supervision audits will additionally be performed by the FFG (Österreichische Forschungsförderungsgesellschaft).

In course of its research and development activities, SAL cooperates with Company Partners, and optionally Scientific Partners (SAL, Company Partner(s) and, if applicable, Scientific Partner(s) together the "**Parties**", each a "**Party**"), to jointly execute a cooperative research **Project**. By contributing complementary skills, know-how and infrastructure to the Project, the Parties desire to exploit resource efficiencies and cost savings and reduce the technical risks associated with the research and development. Scientific Partners in particular have extraordinary scientific knowledge, skills and know-how of substantial added value to the Project that cannot easily be substituted or provided by the other Parties.

The following Terms shall set forth the legal framework for collaborative research and development projects between the Parties. The specific details of the respective Project shall be defined in a separate **Project Contract** based on these Terms. For all other types of research and development cooperation, e.g. contract research ("*Auftragsforschung*"), separate terms will apply.

For the avoidance of doubt, if a Project is run by a total of more than two Parties, these Terms shall apply *mutatis mutandis* ("and thus correspondingly") to such agreements.

1. DEFINITIONS

The following terms shall have the described meanings:

"Access Rights" shall mean the right to demand licence rights or rights of use relating to Background IP or Foreground IP, to the extent that there are no conflicting rights of Third Parties. The scope of such license rights or rights of use is set out in these Terms or the Project Contract.

"Affiliated Entity" shall mean (i) any company that is under the control of a Party, (ii) any company that controls a Party, and (iii) any company that is under common control with a Party. For purposes of this definition, "control" shall mean ownership or control, directly or indirectly, of more than fifty (50%) percent of the shares having voting rights, or other equivalent rights of the subject entity entitled to vote, but only as long as such control exists.

"Area Of Interest" shall mean a Company Partner's field of business activity, as exhaustively defined in the Project Contract.

"Background IP" shall mean any IP, including know-how, that is related to the Project and was already owned or controlled by a Party prior to the Effective Date or was found outside the scope of the Project, but solely to the extent it is identified and used in or introduced into

the Project by the Party who owns or controls it. Background IP can also include any materials for which a Party has a valid license from a third Party to Use for their activities.

“Company Partner” shall mean any non-scientific Party.

“Confidential Information” shall mean all non-public information and data, company and trade secrets as well as information of commercial value, IP, know-how, other (non-)technical information, knowledge and results achieved during or before this Project, any documents, discoveries, ideas, concepts, techniques, samples, drawings, blueprints, specifications, methods, formulas, programmable logic, software algorithms, any other materials, any kind of business information, or other data, whether directly or indirectly and whether in written, oral or other tangible or intangible form disclosed between the Parties under these Terms and the Project Contract. Confidential Information shall also include, but not be limited to, plans, photos, products, prototypes, models, devices, materials, diagrams, production methods, strategies, development plans, research, test and/or provisional results, technical specifications, price lists, customer information, sales figures, marketing strategies, finance, employment, legal and/or environmental aspects, which are marked as confidential or are confidential by their nature.

“Deliverables” shall mean any tangible material (in particular report, sample, demonstrator and/or prototype) to be made and/or supplied by the Parties in the Project and identified in the Project Contract.

“Effective Date” shall mean the start date of the term of the Project Contract, as defined therein.

“Fair and Reasonable” shall mean appropriate, non-discriminatory, market-standard terms and conditions, taking into account the relevant circumstances, actual or potential value, proposed use, and other relevant considerations.

“Foreground IP” shall mean any Intellectual Property generated by a Party after the Effective Date under the framework of the Project Contract and the Project set out therein.

“IP” (“Intellectual Property”) shall mean any patents, utility patents, trademarks, copyrights and neighbouring rights including moral rights and data base rights, design rights, know-how, confidential information, manufacturing and/or trade secrets, rights in inventions, improvements and/or discoveries, software (in source code and object code versions), semi-conductor topographies, domains and any other intellectual property rights, (all whether patented or patentable, registered or unregistered and including any renewals and extensions thereof).

“Jointly Generated Foreground IP” shall mean any Intellectual Property that was jointly developed by scientists/employees of more than one Party and where their respective contribution to the final work cannot be ascertained, or if the work (result) is by nature indivisible. The Parties acknowledge that the mere provision of Background IP, products, services, technical requirements (dimensions, functionalities, software language, standards, etc.), etc., without any creative, inventive and active input in the generated Foreground IP is not sufficient to fulfil the requirements to be a co-founder of Jointly Generated Foreground IP.

“Need” in the context with IP or Results shall mean technically essential for the performance of this Project, or the usage or the exploitation of the Project Results.

“Prior Rights” shall mean software, industrial property rights or applications thereto, as well as any inventions that are potentially protectable by industrial property rights. For the avoidance of doubt, Prior Rights are a subset of Background IP.

“Product” shall mean a good or a service, including both intermediary goods or services and final goods or services.

“Project” shall mean the Research and Development Project to be performed by the Parties according to the terms of these Terms and the respective Project Contract.

“Project Results” shall refer to any and all results that relate to creations brought forth by human intellect and comprise Intellectual Property that have not existed prior to the Effective Date of the Project Contract and which are created in the course of the Project by at least one Party.

“Scientific Partner” shall mean universities, technical colleges and not-for-profit research and technology organisations.

“Third Parties” shall mean all legal or natural persons excluding the Parties.

2. RESEARCH & DEVELOPMENT TASKS

The specific duties of the Parties will be stipulated in a Project-specific Project Contract.

Each Party is responsible for the performance of its tasks, in accordance with good scientific and engineering practices. Each Party undertakes to use its best reasonable efforts to achieve the expected Project Results in a timely manner and to comply with the latest state of the art in science and technology. Notwithstanding the aforesaid, and considering the research character of the Project and the technical uncertainties that may result during implementation of the solutions envisaged, no Party can guarantee or be liable for reaching any specific Results at the end of the Project. These Terms shall hence not be deemed a contract imposing an obligation to achieve a given Result within a certain time.

The Parties shall mutually exchange, to the best of their knowledge and in a timely and regular manner, all Results, Deliverables, information, documents or data that are necessary for the other Party for implementing the Project.

Each Party shall promptly inform the other Party of any difficulty that it may encounter in performing the tasks for which it is responsible and that could compromise or delay the objectives thereof. As soon as it becomes certain that a deadline or a work package as agreed in the Project Contract cannot be met/cannot be performed or cannot be performed by a Party under the conditions agreed in the Project Contract, that Party shall immediately inform the other Party thereof in writing.

The Parties are obliged to make all agreed factual and financial contributions in a timely manner as agreed in the Project Contract, independently of the progress, technical success and/or achievement in the Project. In no case is a Party obliged to contribute additional factual or financial contributions without a written modification or amendment to these Terms or the Project Contract.

Each Party shall be individually responsible for performing the tasks it has been assigned and for rendering account of its project costs vis-à-vis the Austrian, Carinthian, Styrian and/or the

Upper Austrian Court of Auditors or the FFG or any other official body that has the right to audit the costs of this Project. The Parties shall submit all required documentation, as defined in the Project Contract, to the project leader of SAL in a timely manner so that the latter can forward said documentation to the FFG (Austrian Funding Association).

3. WORK PACKAGES, DELIVERABLES, MILESTONES

The implementation of the Project shall be governed by the work packages, Deliverables and milestones pursuant to the Project Contract and its Annexes.

For the avoidance of doubt, the milestone plan is a jointly agreed estimation that should be achieved by the best reasonable efforts of the Parties, but without any responsibility or liability of actual correctness and/or completeness.

4. INVOLVEMENT OF THIRD PARTIES IN THE PROJECT

Each Party shall notify and ask for written permission of the other Party in case of the intended involvement of any subcontractors or other Third Parties in the Project who are not already mentioned in the Project Contract. The permission of the other Party shall not be withheld unreasonably. Each Party shall be liable for any action of its subcontractors as if it was their own and is responsible for concluding a non-disclosure agreement not less stringent than as agreed in Article 7.

For the avoidance of doubt, this Article shall not apply to the use of goods and services, purchased or otherwise obtained from a Third Party or the involvement of Third Parties in the course of the normal business activity (like IT services).

5. INTELLECTUAL PROPERTY RIGHTS

5.1. General

The Parties are obliged to ensure that they are fully authorised to dispose of Background IP, Foreground IP and Jointly Generated Foreground IP developed by their employees and subcontractors as required under the Project Contract and these Terms. The Parties undertake to make any and all arrangements necessary for ensuring that they are authorised to dispose of all IP rights, know-how, technical improvements and business and trade secrets in a manner that allows them to fulfil their contractual obligations without restrictions.

In the event that either Party challenges the right or title of another Party in the latter's Background IP or Foreground IP, the latter Party shall be entitled to terminate the Project Contract for good cause pursuant to Article 11.

5.2. Background IP

5.2.1. Ownership in Background IP

Each Party shall always retain full ownership of its Background IP, unless agreed otherwise in the Project Contract.

Irrespective of any other provisions of these Terms or the Project Contract, each Party shall in any case always retain full ownership of its own research, development and innovation know-

how (including research tools, modelling approaches, SW code building blocks, research expertise etc). The same applies to any such research, development and innovation know-how generated during the Project.

5.2.2. Notification of Prior Rights and encumbrances

To the extent possible and to the best of their knowledge, the Parties shall mutually inform one another in writing of the existence of any Prior Rights that may be Needed by the Parties for the performance of the Project or the use or exploitation of the Project Results prior to the Effective Date.

Should a Party have failed to inform the other prior to the launch of the Project, it may still inform the other Party, to the extent possible and to the best of its knowledge, prior to the actual use of such Prior Rights. In this case the other Party may object against the use of such Prior Rights within a reasonable amount of time of not more than fourteen days upon notification.

Each Party shall further notify the other Party, to the best of its knowledge and as soon as possible, of any restrictions in the granting of necessary Access Rights to Background IP (including, but not limited to, rights of Third Parties).

5.2.3. Access Rights to Background IP for the performance of the Project

Each Party herewith grants to another Party and its Affiliates a non-exclusive, non-transferable, non-sublicensable and royalty-free right to use its relevant Background IP solely for the purpose of the Project and limited to the duration of these Terms and the Project Contract.

The Project Contract shall specify and identify which Background IP shall be explicitly disclosed and submitted by each Party at the beginning of or during the Project. After the Effective Date, it shall only be possible for a Party to withdraw its Background IP with the consent of the other Party.

5.2.4. Access Rights to Background IP for use or exploitation of Project Results outside the Project

The use or exploitation of Background IP of the other Party requires the prior written agreement by the respective other Party, which may only be withheld for good cause, and is in any case subject to Fair and Reasonable remuneration and other licensing terms being offered by the Party. Hence, in case a Party Needs Access to Background IP of the other Party for the use or exploitation of its own Foreground IP or Jointly Generated Foreground IP outside of or after completion or termination of the Project, the Party owning the Background IP ("**Background IP Owner**") shall grant the other Party an irrevocable (except for an automatic revocation upon non-payment of royalty fees as defined below), non-exclusive, non-transferable, non-sublicensable license to use and exploit such Background IP solely for the purpose of use or exploitation of its Foreground IP or Jointly Generated Foreground IP, and only to the extent that there are no conflicting rights of Third Parties. The royalty fee for such a license shall be agreed upon based on Fair and Reasonable Terms in a separate agreement.

In respect of software, only Access to object code shall be granted under the above-mentioned conditions.

Needed Access Rights to Background IP can be requested in writing during the Project or within a period of 12 (twelve) months after the end of the Project. After expiry of this deadline, no Party has an obligation to grant Access Rights.

Any rights under this Article 5.2.4 are subject to and conditional upon the payment of the respective royalty fees. In case of non-payment of royalty fees despite a written warning and grace period of 30 (thirty) days, the rights granted shall automatically be revoked.

5.3. Solely Generated Foreground IP

5.3.1. Ownership in Solely Generated Foreground IP

Foreground IP that was generated exclusively by one Party shall be the property of the Party employing the personnel who generated it, and such Party shall decide by itself on the economic expediency of protecting it. Any new patents arising therefrom shall be filed in the sole name and at the sole expense of such generating Party.

Nevertheless, the Parties shall mutually inform one another without delay of any and all Foreground IP generated in the Project.

Deviating from the above, in recognition of SAL's financial contributions to the Scientific Partner according to Article 8.2, SAL and the Scientific Partner agree to consider any Foreground IP generated by the Scientific Partner as Joint Foreground IP of the respective Scientific Partner and SAL. It is furthermore agreed that the rules regarding Jointly Generated Foreground IP according to 5.4 apply to such Foreground IP, with SAL and the Scientific Partner owning an equal share in such Foreground IP. For the sake of clarity it is stated that the ownership of Background IP held by either Party remains unaffected by this.

5.3.2. Access Rights to Foreground IP for the performance of the Project

Each Party herewith grants to another Party non-exclusive, non-transferable, non-sublicensable and royalty-free right to use its relevant Foreground IP solely for the purpose of the Project and limited to the duration of these Terms and the Project Contract.

Each Party shall notify the other Party, to the best of its knowledge and as soon as possible, of any restrictions in the granting of necessary Access Rights to Foreground IP (including, but not limited to, rights of Third Parties).

5.3.3. Access Rights to Foreground IP for use or exploitation of Project Results outside of the Project

In case a Party Needs access to Foreground IP of the other Party for the use or exploitation of its own Foreground IP or Jointly Generated Foreground IP outside of or after completion or termination of the Project, and such Party is not already entitled to such rights under Article 5.3.4, the Party owning the Foreground IP shall grant the Party Needing the Foreground IP an irrevocable (except for an automatic revocation upon non-payment of royalty fees as defined below), non-exclusive, non-transferable and non-sublicensable right to use and exploit the Foreground IP solely for the purpose of use or exploitation of its own Foreground IP or Jointly Generated Foreground IP, and only to the extent that there are no conflicting rights of Third Parties. Such license is granted against a royalty fee, which shall be agreed upon based on Fair and Reasonable Terms in a separate agreement.

In respect of software, only Access to object code shall be granted under the above-mentioned conditions.

Needed Access Rights to Foreground IP can be requested in writing up until 12 (twelve) months after the end of the Project. After expiry of this deadline, no Party has an obligation to grant Access Rights.

Any rights under this Article 5.3.3 are subject to and conditional upon the payment of the respective royalty fees. In case of non-payment of royalty fees despite a written warning and grace period of 30 (thirty) days, the rights granted shall automatically be revoked.

Any publications of Foreground IP may only be made under the conditions of Article 6 of these Terms.

A license to Foreground IP does not include any right to use any Background IP of the other Party.

5.3.4. Special Access Rights for Company Partners

In consideration of the financial contributions of the Company Partners according to Article 8.2, SAL and involved Scientific Partners, if any, grant the Company Partner(s) a perpetual, non-exclusive, royalty-free, non-transferable, license to use and exploit SAL's and the Scientific Partners' Foreground IP, but limited to the Company Partner's specific, own Area Of Interest. For the sake of clarity, these exploitation rights include the rights to sub-license within the respective Company Partner's Area Of Interest, only.

5.3.5. Special Access Rights for SAL

Irrespective of other provisions in this Article 5, in consideration of SAL's contributions according to Article 8.2, SAL is granted perpetual, royalty-free Access Rights to the other Party's Background IP and Foreground IP if Needed for publications or other non-commercial use of Project Results, including all cases in which research is performed by SAL, alone or in projects with Third Parties, and where SAL does not receive any direct revenue other than reimbursement of own costs.

5.3.6. Special Access Rights for Scientific Partners

Irrespective of other provisions in this Article 5, in consideration of their special contributions, SAL grants a Scientific Partner perpetual, royalty-free, non-transferable Access Rights to its Foreground IP if Needed for publications or other non-commercial use of Project Results, including all cases in which research is performed by the respective Scientific Partner, alone or in projects with Third Parties, and where the Scientific Partner does not receive any direct revenue other than reimbursement of own costs.

5.3.7. IP Transfer and/or Licencing Option for Company Partners

For a period of one (1) year after the end of the Project, upon request by a Company Partner the Parties shall in good faith negotiate a transfer of SAL's or a Scientific Partner's Foreground IP or SAL's or a Scientific Partner's share of Jointly Generated Foreground IP or the acquisition of an exclusive license in the Company Partner's Area Of Interest upon Fair and Reasonable conditions, as far as there is no interference with rights of another Party. Notwithstanding the aforesaid, neither Party shall be obliged to actually transfer its Foreground IP and Jointly Generated Foreground IP or grant an exclusive license to the other Party in case no agreement can be achieved.

5.3.8. Costs of registering and maintaining IP Rights

The costs of registering and maintaining IP Rights shall be borne by the owner of the respective IP Right.

5.3.9. Inventor remuneration

The Party to which the inventor/s is/are attributable shall be obliged to pay adequate inventor remuneration in line with statutory provisions. Such inventor remuneration may be taken into account when calculating Fair and Reasonable royalty fees under these Terms.

Each Party who obtains a royalty-free license to use or exploit an invention shall pay the Party to which the inventor/s is/are attributable a Fair and Reasonable compensation fee for any inventors remuneration actually paid, as defined in the Project Contract.

5.3.10. Right of first refusal

In case a Party intends to give up its ownership and/or to sell all or partial rights of its Foreground IP, the ceding Party has to make sure to first offer the respective Foreground IP to the other Party on Fair and Reasonable conditions. The conditions for the transfer of the Right shall be separately agreed upon in writing between the Parties, in line with all necessary formal requirements, including, without limitation, signing in notarized form. For the sake of clarity, these conditions may include a sale-and-license-back-model that allows the ceding partner to continue using its Foreground IP.

5.3.11. Transfer of ownership of Foreground IP to Third Parties

Any Party that intends to transfer ownership of its own Foreground IP to Third Parties in whatever form or intends to grant an exclusive license shall ensure that the rights of the other Party arising from these Terms or the Project Contract, including but not limited to Access Rights, will not be adversely affected by such transfer.

For the avoidance of doubt, the Party may not transfer or sublicense own rights to another Party's Background IP or Foreground IP to such Third Party.

5.4. Jointly Generated Foreground IP

5.4.1. Co-ownership of Jointly Generated Foreground IP

The Parties acknowledge that they may be **Co-Owners** of Jointly Generated Foreground IP. All Co-Owners shall use their best reasonable efforts to obtain all rights and obligations that allow the exploitation of such Jointly Generated Foreground IP as envisaged in these Terms. The Co-Owners shall be entitled to specify their joint rights and obligations following the following rules and guidelines, unless agreed otherwise in the Project Contract:

- a) Each of the Co-Owners shall be entitled to use and exploit the Jointly Generated Foreground IP themselves without an obligation to compensate the respective other Party.
- b) For granting non-exclusive license(s) or exploitation rights to Jointly Generated Foreground IP to a Third Party, the Parties shall agree on a Fair and Reasonable share of the compensation, which shall be paid to the other Co-Owner. If a Fair and Reasonable share of the compensation is offered (and the compensation itself is Fair and Reasonable), the other Party may not withhold or delay its consent to the granting of such non-exclusive license(s) or exploitation rights.

- c) A license to Jointly Generated Foreground IP does not include any right to use any Background IP of the other Party. The grant of a license to use Background IP of the other Party requires the prior written agreement by the respective other Party, which may only be withheld for good cause, and is in any case subject to Fair and Reasonable remuneration and other licensing terms being offered by the Party.
- d) No Co-Owner shall grant an exclusive license or transfer Jointly Generated Foreground IP to a Third Party without the explicit prior written consent of the other Co-Owner. If the Parties jointly agree to transfer Jointly Generated Foreground IP or to grant an exclusive license thereto to a Third Party, the Parties shall agree on a Fair and Reasonable distribution of the respective remuneration between the Parties.
- e) In case remuneration or other payments are shared between the Parties, each Co-Owner shall receive a share proportional to its contribution in and to the Jointly Generated Foreground IP. If the contribution of the Co-Owners cannot be established, each Co-Owner shall have an equal share in the Jointly Generated Foreground IP. The Parties may, however, agree on a different distribution share, provided it is Fair and Reasonable, taking into consideration all other facts (including, for example, the marketing or sales activity efforts by a party).
- f) In order to agree on an appropriate course of action for protecting Jointly Generated Foreground IP, including the decisions *i)* as whether to file patent application(s) or keep it as a trade secret and *ii)* which Party is to be entrusted with the preparation, filing and prosecution of such application(s) and in which countries of the world such application(s) are to be filed, the Co-Owners shall enter into good faith discussions. The filing of any application(s) for Jointly Generated Foreground IP shall require mutual written agreement (acknowledged e-mail between the members of the Project Steering Committee, as defined in the Project Contract, is sufficient) between the Co-Owners, which is not to be unreasonably withheld or delayed. Unless otherwise explicitly agreed, all costs related to application(s) for Jointly Generated Foreground IP shall be shared between the Co-Owners in accordance with their ownership shares. In case the ownership shares are impossible to determine the costs shall be shared equally between the Co-Owners.
- g) In the event that one of the Co-Owners of Jointly Generated Foreground IP wishes to abstain from participation in the application or at a later time wishes to discontinue the payment of its share of the maintenance fees or other costs in any particular country or territory (the **“Relinquishing Owner”**), the Relinquishing Owner shall promptly notify the other Co-Owner(s) of its decision, and the other Co-Owner(s) may take over the payment of such share. The Relinquishing Owner shall forthwith relinquish to the other Co-Owner(s) who continue(s) such payments, its right, title to and interest in such Jointly Generated Foreground IP for the countries or territories concerned, and provide the other Co-Owner with respective documents in the required form to evidence such fact.
- h) The Parties undertake that the names of the inventors will be set forth in any jointly owned new patent application that their respective researchers shall furnish all signatures and complete all formalities necessary for the filing, the maintenance and the defence of the said jointly owned new patents. Notwithstanding the aforesaid, this obligation shall only be fulfilled to the legally possible extent.

i) The Party to which the inventor/s is/are attributable shall be obliged to pay adequate inventor remuneration in line with statutory provisions.

5.4.2. Rights of first refusal

a) If a Co-Owner, within a period of 3 (three) months from the point in time at which a decision to register an IP right (e.g. patent application) for a Jointly Generated Foreground IP has been made according to Article 5.3.f, fails to register it, or if a Co-Owner is no longer interested in maintaining its share in Jointly Generated Foreground IP, it shall immediately notify the other Co-Owner thereof in writing. Within 6 (six) weeks from this notification, the other Co-Owner shall have the opportunity to state, in writing, their interest in assuming or taking over and continuing the Co-Owner's share. The holder of the share in Jointly Generated Foreground IP shall transfer it to the interested Party based on its share or have it re-registered in the latter's name at the latter's cost and shall hand over the required documents. The conditions for the transfer of the share in Jointly Generated Foreground IP shall be separately agreed upon in writing between the Parties, in line with all necessary formal requirements, including, without limitation, signing in notarised form.

b) Should a Party wish to register or maintain a Jointly Generated Foreground IP in a country for which the other co-owning Party does not intend to assume or to maintain any IP rights, any and all rights regarding the corresponding foreign IP right shall pass on to the Party that is in favour of the registration or maintenance of the IP right in the relevant country.

c) If a Co-Owner wishes to sell or transfer its co-ownership share to Third Parties, it must offer this share, in writing, to the other Co-Owners for acquisition beforehand, at Fair and Reasonable conditions.

6. PUBLICATIONS

The Parties acknowledge the fundamental task of SAL as a research institute and optionally involved Scientific Partners, if any, to regularly publish information on the nature, object and Results of its research activities. The Parties thus agree to pursue joint publications whenever reasonably possible. The Parties also acknowledge and agree that PhD students, who are involved in the Project, have to publish information on the nature, object and certain Results in the context of their thesis. Notwithstanding the confidentiality provisions below, the Parties shall thus have the right to publish the Results of the Project in the form of academic publications, subject to the following provisions:

The relevant Party shall notify the other Party in writing of the planned publication. If the other Party fails to comment on the planned publication in writing (e-mail to the publishing Party's Project Core Team representative is sufficient) within a period of 30 calendar days from receipt of the notification, it shall be deemed as a consent. If the other Party raises well-founded objections within the above-mentioned period in writing (e-mail to the publishing Party's Project Core Team representative is sufficient), the affected Parties shall without delay strive to find a joint solution that takes the objections into consideration (e.g. withholding of publication for a limited and reasonable amount of time, immediate registration of an IP Right, adjustment of the content of the publication, withholding of access to diploma, master's or doctoral theses).

In light of the justified interests in academic publications, the registration of IP Rights and claiming of employee inventions should be handled in a timely manner prior to publication.

For the avoidance of doubt, nothing in this clause shall prevent any party to publish any of its own IP, provided that this does not include any jointly owned IP or IP based on another Party's Background IP etc.

In case of SAL and/or eventual Scientific Partners, a publication prior to the deadline set out in Article 5.3.7 requires the other Party's prior consent.

7. CONFIDENTIALITY

The Parties undertake to keep Confidential Information confidential and use it strictly only within the Project and to its benefit. The Parties shall thus under no circumstances disclose any Confidential Information to a Third Party neither in whole nor in part, without prior written consent of the disclosing Party. Confidential Information exchanged hereunder may solely be used for the fulfilment of the contractual obligations.

Notwithstanding the aforesaid, the Parties agree that information disclosed by the Parties pursuant to this Article shall not be deemed Confidential Information if the receiving Party can prove that said information:

- was already in the public domain at the time of disclosure; or
- became generally available to Third parties by publication or otherwise, but without any breach of any confidentiality obligations; or
- was developed by the receiving Party independently of any disclosure by the other Party; or
- has been explicitly excluded from confidentiality by the disclosing Party; or
- was legitimately received from Third Parties, who are not bound by a non-disclosure provision or agreement; or
- if a disclosure is required by mandatory law, court order, administrative orders or any other legal obligation, the disclosing Party shall immediately inform the other Party in writing, to allow the other Party to take legal measures to prevent such disclosure. Disclosing Party shall further reasonably support the other Party to prevent the disclosure.

The Parties shall properly store and safeguard all documents and records, which could contain Confidential Information. The receiving Party shall treat Confidential Information of the disclosing Party at least with the same degree of care as their own Confidential Information.

Confidential information shall only be disclosed to employees or Third Parties, who have been obliged in writing to the same confidentiality obligations as set out in this Article. If a Party intends to disclose Confidential Information to a Third Party, the Party shall prior obtain the written consent of the other Party for such disclosure.

Copies of Confidential Information shall only be allowed if needed for the fulfilment of the Project.

After realization of a project or termination of the cooperation all Confidential Information and any copies thereof shall be without undue delay destroyed or returned to the disclosing Party (except as may be required by law or storing of backup copies under market standard backup systems). Upon written request of the disclosing Party, the receiving Party shall provide a

written certification to the disclosing Party that all such Confidential Information has been returned and/or destroyed as requested.

Notwithstanding anything of the aforesaid, all Parties acknowledge that SAL will be audited regularly by the FFG (Austrian Research and Funding Agency) who is permitted to review and evaluate the content of all SAL research projects and agreements. Therefore, all Parties herewith explicitly agree that SAL may disclose Confidential Information in relation to these Projects governed by these Terms to the FFG, in case the FFG asks SAL for such disclosure, but only to the extent required by FFG. FFG and also the Court of Auditors will audit and examine all in-kind and other contributions of the Parties and shall have the power to review documents and records also directly at the involved premises of the Parties as well as those of any subcontractor. SAL will inform the Parties in case of an audit of the FFG or the Court of Auditors in a timely manner.

The obligation to maintain confidentiality of trade secrets in the meaning of Secs 26a to 26j Austrian Act against Unfair Competition shall survive any contractual relationship between the Parties. In all other cases, the obligation to maintain confidentiality is limited to five years after the Effective Date of the termination of the Project.

8. PAYMENT TERMS AND COOPERATION MODEL

8.1. Project Calculation

The Parties confirm (without limitation) that the contribution by all Parties is the result of an arm's length negotiation. The Parties agree in the Project Contract on the calculation and distribution of the jointly estimated Project costs and state therein the financial conditions, the financial and in-kind contributions of the Parties, the payment schedules and the invoicing dates, by considering the following requirements:

The upfront estimate of the Project cost may be adapted by the Parties in writing if necessary.

The Parties shall discuss in good faith how possible deviations of the actual Project costs in relation to the planned Project cost calculation shall be dealt with.

8.2. Financing of the Project

SAL agrees to co-finance 50% of the total Project cost and the Company Partner(s) agree to cover the remaining 50% in a combination of cash and in-kind contributions.

If a Scientific Partner participates, the financing of the Project will be individually agreed in the Project Contract, based on an evaluation of the individual contributions and an estimation of the worth of the expected Project Results as assigned to the specifically defined Areas of Interest.

In either case, the Company Partners agree that the cumulative in-kind contributions of all Company Partners together must not exceed the cumulative cash contributions of all Company Partners together. Furthermore, each Company Partner agrees that neither its total in-kind contributions nor its total cash contributions must exceed two thirds (i.e. 66,6%) of its total Project contributions.

8.3. Invoicing

SAL is acting as coordinator of the Project. As such it will handle the project management etc, as well as all payments (e.g. forwarding payments of Company Partners to Scientific Partners).

The Company Partners' contributions under the Project shall be invoiced by SAL in accordance with the payment schedule specified in the Project Contract.

All cash payments shall be made 30 calendar days after the dates agreed and after receipt of an invoice issued by SAL. The correct and punctual payments of any and all invoices issued by SAL to the Company Partners are an essential contractual condition. In the event of non- or incorrect payment of any invoice actually received from SAL, and without prejudice to judicial recovery proceedings and to the applicability of provisions set out in Article 11, SAL may suspend the performance of the work allocated to it and the delivery of Deliverables. Such suspension shall become effective at the expiration of a period of twenty (20) calendar days from the date of receipt of a reminder notice from SAL to the Party being in default, unless the defaulting Party fulfils its obligation during the said twenty (20) calendar days period.

All deliveries from SAL to another Party are done in accordance with the INCOTERMS 2020 of the International Chamber of Commerce ex works. In case costs for packaging, transport and/or insurance arise, those costs will be invoiced separately.

9. WARRANTY AND LIABILITY

9.1. Warranty and Guarantee

Each Party shall use its best reasonable efforts to perform its research & development activities in accordance with the Project Contract and shall perform all assigned tasks in a workmanlike manner. The Parties are obliged to use their best reasonable efforts to comply with the Project Contract.

Each Party represents and warrants that it is the owner of the licensed Back- and Foreground IP, that no undisclosed acts preventing any applications for registration and protection have been set in the Party's sphere, and that any due inventor remuneration relating to Background IP is fully paid up.

9.2. Liability

The Parties shall be liable without limitation in cases of intent or blatant gross negligence, as well as in cases of death or personal injury or product liability claims under the Product Liability Act. The liability for slight negligence of each Party vis-à-vis the other Party shall be excluded. The aggregate liability for simple gross negligence of each Party vis-à-vis the other Parties together shall be limited to three times of the Party's total (i.e. cash plus in-kind) contribution to the Project.

The Parties themselves shall be liable for complying with all relevant mandatory legal provisions and any official requirements imposed on them in the course of their work.

No Party shall be responsible to any other Party for any indirect or consequential loss or similar damage such as, but not limited to, loss of profit, loss of revenue or loss of contracts.

10. THIRD PARTY CLAIMS

If any Third Party makes a claim, or notifies an intention to make a claim based on IP licensed under the Project Contract and these Terms against a Party, such Party shall:

- give written notice to the other Party without undue delay;
- not make an admission of liability against the claimant without the other Party's prior written consent; and
- give the other Party the opportunity to defend the claims in its own discretion. The Party shall provide all necessary support to the other Party in such case.

If any claim is made or reasonably likely to be made against a Party due to infringement of IP of the other Party, the other Party may in its own discretion and at its own expense, but shall have no obligation to do so, (i) terminate the Project Contract immediately by giving written notice to the Party, (ii) procure for the Party the right to continue to use the licensed IP, (iii) modify the licensed IP, if possible, so that it ceases to be infringing, or (iv) replace the licensed IP with a non-infringing alternative.

11. TERMINATION

The Project shall end on the date agreed in the Project Contract and pursuant to the statutory and applicable Forschungsrahmengesetz (FRG).

11.1. Termination

Each Party shall have the right to terminate the Project Contract, and thus its participation in the Project, for good cause in one of the following cases:

- if an unforeseeable, significant change in the scope of the Project appears that cannot be achieved under the conditions of these Terms and the Project Contract; or
- if intermediate results clearly show that it will not be possible to realise an important objective of the Project under the conditions of these Terms and the Project Contract

by giving written notice stating the claimed good cause to the Project coordinator SAL, observing the notice period agreed to in the Project Contract.

Further, the other Partners shall have the right to jointly exclude a Partner who is in material breach of these Terms or the Project Contract from the Project in case any wrongdoing is not remedied within a reasonable grace period not exceeding sixty (60) calendar days.

Finally, SAL shall have the right to exclude a Partner who is in default with its payments from the Project in case the wrongdoing is not remedied within a reasonable grace period not exceeding sixty (60) calendar days.

If a Party terminates its participation in the Project or if its participation is terminated for one of the reasons defined above, this shall not automatically result in the termination of the Project Contract. On the contrary, the Project Contract may remain in force for the other Parties if the remaining Parties either assume the contractual obligations of the withdrawing/excluded Party or if a new Party joins the Project Contract.

11.2. Continued effect of rights and obligations

If a Party terminates the Project Contract, the rights and obligations (including, without limitation, Access Rights to Background IP required for implementing the Project, confidentiality obligations and rights of first refusal) of the leaving Party that were incurred prior to termination for the benefit of the remaining Parties, shall remain valid in any case, unless explicitly agreed otherwise.

If a Party terminates the Project Contract for a good cause as defined in Article 11.1, the exiting Party shall continue to be entitled to the Access Rights as set out in these Terms and/or the Project Contract. However, upon the effective date of termination, the exiting Party shall automatically forfeit all Access Rights to the remaining Party's IP under these Terms or the Project Contract.

Conversely, if a Party terminates the Project Contract without citing a good cause as defined in Article 11.1, or is excluded from then Project in accordance to Article 11.1, this Party shall lose all Access Rights to Foreground IP that came into existence up until the day of its withdrawal or its exclusion.

12. FORCE MAJEURE

Neither Party hereto shall be liable to the other Party hereto for non-performance or delay in performance of any of its obligations, particularly to the payment obligations, under these Terms and the Project Contract due to causes beyond its reasonable control including, epidemics or pandemics and its impacts, fires, floods, strikes, acts of terror, labour troubles or other industrial disturbances, governmental acts or regulation, riot and insurrections (hereinafter individually or collectively referred to as “**Force Majeure**”). Upon the occurrence of any such event, the affected Party shall immediately notify the other Party hereto in as much detail as possible and shall keep the other Party hereto informed of any further development of such events. Immediately after such event ceases or is removed, the affected Party shall perform its obligations pending with due speed. However, the aforesaid shall apply with the restriction that each Party shall be entitled to terminate the Project Contract in writing if the delay or non-performance of the other Party for the above-named reasons should last for more than 6 (six) months.

The effects of the COVID-19 pandemic as known or foreseeable at the Effective Date do not establish a Force Majeure event.

13. PLACE OF JURISDICTION AND APPLICABLE LAW

13.1. Place of Jurisdiction

Any disputes arising out of these Terms and/or any related Project Contract shall be decided exclusively by the competent court in Graz, Austria.

13.2. Applicable Law

These Terms and all related Project Contracts shall be exclusively governed in its entirety by the laws of the Republic of Austria excluding its conflict of laws provisions, CISG and any legal

norms referring to other legal systems. This includes disputes on its conclusion, binding effect, amendment and legal consequences of these Terms and/or any related Project Contract.

14. FINAL PROVISIONS

14.1. *Intuitu personae*

These Terms and any related Project Contract shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Any and all rights and obligations arising from or out of these Terms and any related Project Contract must not be transferred, in whole or in part, to Third Parties without the prior written consent of the other Party. The Project Contract is entered into *intuitu personae*, for each Party, in consideration of, in particular, the other Party's technical know-how, corporate form, economic and financial structure and share-capital ownership as of the Effective Date. However, the Parties shall have the right to assign their rights and obligations of the Project Contract to any Affiliated Entity, subject to the Party's prior consent. In case a Party intends to assign its rights and obligations, it must inform all other Parties, which may then object for good cause, only, within a period of 14 (fourteen) days. If no Party objects within this deadline, the non-objection shall be deemed as consent.

14.2. Correspondence and Alterations

Modifications of or amendments to the Project Contract shall only be valid, including modifications of or amendments to this provision, if implemented by written agreement duly signed by all Parties. This shall also apply to any waiver of this requirement of written form.

14.3. Personal Data and Data Protection

For protection of Personal Data, each Party shall comply with applicable data protection laws and the EU General Data Protection Regulation in its latest version and shall take the required technical and organizational measures to protect such Data. The Parties shall take reasonable steps to ensure the reliability of any employee and/or subcontractor who may have access to the Personal Data, ensuring in each case that access is strictly limited to those individuals who need to know or have access to the relevant Personal Data, as strictly necessary for the purposes of the Project, ensuring that all such individuals are subject to confidentiality undertakings or professional or statutory obligations of confidentiality. If required, the Parties shall enter into a data processing agreement.

14.4. Severability Clause

Should any provisions of these Terms and or the Project Contract be or become wholly or partly invalid or unenforceable, this shall not affect the validity or enforceability of the remaining provisions. In this event, the invalid or unenforceable provision shall be substituted by such valid/enforceable provision, which comes as close as possible to the legal and economic purposes pursued by the Parties with such invalid/unenforceable provision.

14.5. Entire agreement

Copies of the Project Contract shall be signed in written or electronic form and each shall be deemed an original, with one being handed out to each of the Parties.

14.6. Conflicting provisions

In the event of any conflict or difficulty in interpretation between the content of these Terms and the Project Contract and its Annexes to the Project Contract, the Project Contract shall prevail over its Annexes and the Annexes shall prevail over these Terms.