

## FED4SAE Standard Application Experiment Contract

This FED4SAE Standard Application Experiment Contract for providing financial support to the Selected Third Party (hereinafter referred to as the “Agreement”), effective as of ..... (hereinafter referred to as the “Effective Date”), is entered into by and between:

...., an organisation under the laws of ....., having its registered office at ..., herein represented by ....., hereinafter referred to as “**Cascade Funding Partner**”

And

..., an organisation under the laws of ....., having its registered office at ..., herein represented by ....., hereinafter referred to as “**Selected Third Party**”

Hereinafter sometimes individually or collectively referred to as “Party” or “Parties”.

Whereas CEA, Intel Research and Development Ireland Limited, ST-I, ST-F, THALES, AVL LIST GMB, DIGITAL Catapult, FRAUNHOFER, FORTISS GMBH, CSEM, KTH, BME, UNICAN, BLUMORPHO (hereinafter sometimes collectively referred as the “**FED4SAE Beneficiaries**” or individually referred as the “**FED4SAE Beneficiary**”) participate to the H2020 project entitled “Federated CPS Digital Innovation Hubs for the Smart Anything Everywhere Initiative” (hereinafter the “**FED4SAE Project**”).

Whereas the FED4SAE Beneficiaries entered into a Grant Agreement N°761708 with the European Commission (the “**Grant Agreement**” or “**GA**”) and signed together in 2017 a Consortium Agreement with respect to the FED4SAE Project (the “**Consortium Agreement**” or “**CA**”).

Whereas the FED4SAE Project involve financial support to selected third parties through a cascade funding scheme (hereinafter “**Cascade Funding**”).

Whereas further to an open call for a specific Application Experiment as described in Annex 4 “Specific Application Experiment Contract”, the Selected Third Party has been selected by the Internal Evaluation Committee of the FED4SAE Project to implement such Application Experiment.

Whereas the Selected Third Party will be in charge of the implementation of such Application Experiment with also the participation of the FED4SAE Beneficiaries identified in Annex 4 “Specific Application Experiment Contract”.

Whereas the Cascade Funding Partner is willing to provide financial support to the Selected Third Party for the implementation of such Application Experiment and the Selected Third Party is willing to receive such funding under the terms and conditions of this Agreement.

Whereas in accordance with the Grant Agreement and the Consortium Agreement, the Cascade Funding Partner shall sign an agreement with the Selected Third Party compliant with the GA and CA, after validation by the other Participating Partners.

Whereas the Cascade Funding Partner is responsible for the execution of this Agreement with the Selected Third Party and for the monitoring of the Application Experiment.

Now therefore it has been agreed as follows:

## 1. DEFINITIONS

Words beginning with a capital letter shall have the meaning defined in the preamble of the Agreement or in this Section:

- 1.1 Access Rights** means rights to use Results or Background under the terms and conditions laid down in this Agreement.
- 1.2 An Affiliated Entity** for a FED4SAE Beneficiary or for the Selected Third Party means:
- any legal entity directly or indirectly Controlling, Controlled by, or under common Control with that Party, for so long as such Control lasts; and
  - any other legal entity that is listed on an exhaustive basis in Annex 4 “Specific Application Experiment Contract” to this Agreement as being an Affiliated Entity of a Party, where such legal entity is one in which that Party (or a legal entity qualifying as an Affiliated Entity of that Party under (a) directly above) has a 50% equity share or is the single largest equity shareholder.

For the above purposes, "Control" of any legal entity shall exist through the direct or indirect:

- ownership of more than 50% of the nominal value of the issued share capital of the legal entity or of more than 50% of the issued share capital entitling the holders to vote for the election of directors or persons performing similar functions, or
- right by any other means to elect or appoint directors of the legal entity (or persons performing similar functions) who have a majority vote.

Common Control through government does not, in itself, create Affiliated Entity status.

- 1.3 Agreement** means this Standard Application Experiment Contract, together with its Annexes.
- 1.4 Application Experiment** means the experiment detailed in Annex 4 “Specific Application Experiment Contract” to be carried out by the Selected Third Party, with the objective to develop and further exploit an innovative CPS-enabled system.
- 1.5 Background** means any data, know-how or information – whatever its form or nature (tangible or intangible), including any rights such as intellectual property rights – that:
- is held by a Participating Partner before the start of the Application Experiment, or is generated by a Participating Partner in parallel to the Application Experiment by its employees who are not involved in the Application Experiment, nor have access to the information related to the Application Experiment, and
  - is Needed by another Participating Partner to implement its own tasks under the Application Experiment or to Exploit its own Results, but solely to the extent that such data, information, know-how and/or intellectual property rights are introduced into the Application Experiment by the owning Participating Partner.
- 1.6 Exploitation or Exploit** means the direct or indirect use of Results in (a) further research activities other than those covered by the Application Experiment, or (b) in developing, creating or marketing a product or process, or (c) in creating and providing a service, or (d) in standardisation activities.
- 1.7 Fair and Reasonable conditions** means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for Access Rights, for example the actual or potential value of the Results or Background to which Access Rights are requested and/or the scope, duration and other characteristics of the exploitation envisaged. To fall within Fair and Reasonable conditions, the conditions must also be non-discriminatory.

With respect to FED4SAE Beneficiaries which are Non-Profit Organisations considering their

specific positioning, “appropriate conditions” means that, if requested by such Non-Profit Organisations, they will receive a financial compensation in case of direct or indirect industrial or commercial exploitation of their own Results.

- 1.8 Feedback** means, in the course of or in connection with the Application Experiment, all comments, ideas for improvements or for modifications, information about use and performance, suggestions or other feedback from any Participating Partner or the Selected Third Party regarding a Platform Partner’s or its Affiliated Entities’ products or technology used in the Application Experiment.
- 1.9 Financial Support** means the cash element of the financial support to be given by the Cascade Funding Partner to the Selected Third Party for the implementation of the Application Experiment as detailed in Annex 4 “Specific Application Experiment Contract”.
- 1.10 Industrial Party** means (i) a FED4SAE Beneficiary which is not a Non-Profit Organization and (ii) the Selected Third Party which is not a Non-Profit Organization.
- 1.11 Intellectual Property Rights Policy** means the Policy set out at Section 5 of this Agreement.
- 1.12 Needed** means in respect of executing or carrying out the Application Experiment, and/or in respect of Exploitation of Results, technically essential and:  
(a) where intellectual property rights are concerned, that those intellectual property rights would be infringed without Access Rights being granted under this Agreement ;  
(b) where Confidential Information is concerned, only Confidential Information which has been disclosed during the Application Experiment may be considered as technically essential, except as otherwise agreed in writing between the Participating Partners.
- 1.13 Non-Profit Organisation** means a legal entity that is by its legal form non-profit-making or has a legal or statutory obligation not to distribute profits to its shareholders or individual members.
- 1.14 Participating Partners** means the entities and organisations participating in the Application Experiment, as listed in Annex 4, being: (a) the Selected Third Party, (b) the Cascade Funding Partner, (c) the Participating Platform Partner and (c) any other FED4SAE Beneficiary identified in Annex 4.
- 1.15 Participating Platform Partner** means the FED4SAE Beneficiary identified in Annex 4 as the Participating Platform Partner for the specific Application Experiment. As of June 13<sup>th</sup>, 2017, the potential Participating Platform Partners may be one more of the following: INTEL, ST-I, ST-F, THALES, AVL.
- 1.16 Participating Platform Partner Product Information** means, in respect of the products or technology of a Participating Platform Partner or its Affiliated Entities and used in the Application Experiment, (a) all Feedback regarding such products or technology and (b) all other information falling within the Results, concerning the use (including without limitation the environment and context in which it is used, and the other components with which it is used), performance or characteristics of such products or technology.
- 1.17 Results** means any tangible or intangible outputs of the Application Experiment, such as data, knowledge and information whatever their form or nature, whether or not they can be protected, which are generated in the Application Experiment, as well as any rights attached to them, including intellectual property rights.

## 2. CONDITIONS FROM THE GRANT AGREEMENT AND THE CONSORTIUM AGREEMENT REFLECTED IN THE AGREEMENT

The Cascade Funding Partner receives funding from the European Commission for organizing the Application Experiment under the Grant Agreement. A copy of the principal articles of the Grant Agreement [is attached here as Annex 1] [has been supplied to the Selected Third Party under separate cover and the Selected Third Party confirms that it has read the same]. Under the Grant Agreement, the FED4SAE Beneficiaries are required to ensure that the FED4SAE Project is implemented in compliance with the provisions of the Grant Agreement; and the Parties shall comply with this in implementation of the Application Experiment. The Selected Third Party shall not do anything or omit to do anything which renders the FED4SAE Beneficiaries or any of them in breach of the Grant Agreement. In addition, some of the obligations under the Consortium Agreement have to be imposed on the Selected Third Party. Those obligations are reflected in this Agreement.

The Selected Third Party acknowledges and agrees that these obligations comprised in this Agreement are fully applicable to it and shall do everything that is necessary to comply with these obligations, it being understood that the Selected Third Party is only bound by this Agreement and not by the GA or CA.

Pursuant to the CA, the Cascade Funding Partner is in charge of managing and monitoring the Application Experiment carried out by the Selected Third Party. In order to enable the Cascade Funding Partner to comply with these obligations, the Selected Third Party shall make its best efforts to support the Cascade Funding Partner (including to enable the Cascade Funding Partner to discharge its specific duties set out by the GA and the CA).

## 3. TERMS AND CONDITIONS FOR THE FINANCIAL SUPPORT

**3.1** The Selected Third Party shall take part in the Application Experiment with such skill and care that may be expected of Parties with corresponding expertise in the relevant field.

The Selected Third Party shall carry out the tasks according to the schedule set forth in Annex 4 “Specific Application Experiment Contract” at the latest and shall report to the Cascade Funding Partner on the activities’ progress in regular intervals as indicated in Annex 4 “Specific Application Experiment Contract”.

Such technical reports based on the template reproduced in Annex 2 shall contain detailed information on the results generated by the Selected Third Party.

**3.2** The Cascade Funding Partner shall give Financial Support for the Application Experiment carried out by the Selected Third Party, within the limits and in accordance with the schedule of payments specified in Annex 4 “Specific Application Experiment Contract”.

**3.3** The Selected Third Party shall be entitled to claim financial support corresponding to eligible costs for the Application Experiment as described in Annex 3 of this Agreement.

*For each Application Experiment signed between, the Cascade Funding Partner and the Selected Third Party, the Cascade Funding Partner shall make, at his own discretion, the choice of one of the options hereunder stated regarding the form of the Financial Support.*

**Option 1:** *The financial support shall take the form of a reimbursement of seventy percents (70%) of the eligible costs of the Application Experiment actually incurred.*

**Option 2:** *The financial support shall take the form of a lump-sum of seventy percents (70%) of the eligible costs of the Application Experiment.*

**3.4** *Option 1: The Selected Third Party shall provide a costs report to the Cascade Funding Partner. The Selected Third Party shall use the costs reporting template in Annex 3. The following elements shall at least be included in these costs reports :*

- a) The identification of the Application Experiment ;*
- b) The identification of milestones, based on the completion of several tasks.*
- c) Detailed information on the project deliverable achieved for the implementation of the Application Experiment*
- d) A financial statement of costs actually incurred validated by the legal representative of the company;*
- e) Certification of financial statement of costs actually incurred by an independent chartered accountant or an independent statutory auditor.*

*No payment will be done by the Cascade Funding Partner if no sufficient evidence document is presented by the Selected Third Party.*

*Option 2: The Selected Third Party shall provide a project report with deliverables to the Cascade Funding Partner. The Selected Third Party shall use the "Implementation of the Application Experiment" in Annex 4. The following elements shall at least be included in these reports:*

- a) The identification of the Application Experiment;*
- b) The identification of milestones, based on the completion of several tasks.*
- c) Detailed information on the deliverable achieved for the implementation of the Application Experiment.*

*No payment will be done by the Cascade Funding Partner if no sufficient evidence document is presented by the Selected Third Party.*

**3.5** The Cascade Funding Partner will transfer the amount of the Financial Support to the Selected Third Party on the basis of (i) a written payment request by the Selected Third Party to be sent to the Cascade Funding Partner together with a :

*Option 1 : financial statement of costs actually incurred validated by the legal representative of the company and certified by an independent chartered accountant or an independent statutory auditor.*

*Option 2 : project report with deliverables validated by the legal representative of the company (CEO),*

in accordance with the schedule set forth in Annex 4 "Specific Application Experiment Contract" and (ii) a decision of the Cascade Funding Partner for awarding the amount to the Selected Third Party provided the terms and conditions of this Agreement are complied with, in particular after the written validation by all the FED4SAE Beneficiaries involved in the Application Experiment, of the corresponding deliverable(s) identified in Annex 4 "Specific Industrial Experiment Contract". The payment shall be made as indicated in Annex 4 "Specific Application Experiment Contract" after the written validation of the payment request by the Cascade Funding Partner however always provided that the conditions listed in this Section 3 are met by the Selected Third Party. For the avoidance of doubt, the payment is capped as specified in the Financial conditions in Annex 4 "Specific Application Experiment Contract".

**3.6** Maximum amount of support for each Selected Third Party: The maximum amount of the Financial Support to be granted to each Selected Third Party cannot exceed 60,000€ (sixty thousand euros) for each Selected Third Party per Application Experiment. If a third party submit several Application Experiments, the Cascade Funding will not exceed 100,000€ (one hundred thousand euros) per said third party.

## 4. LIABILITY

**4.1** Notwithstanding any terms of this Section 4, or any other terms of this Agreement (including its Annexes), each Party hereby agrees and acknowledges that the limit of liability does not

apply to the liability of the Participating Platform Partner(s), is dealt with at Section 6 below (“Participation of Platform Partners”).

- 4.2** The Selected Third Party shall comply with all legal obligations under applicable EU, international and national laws, rules and regulations, including, but not limited to safety, security, welfare, social security and fiscal laws, rules and regulations.
- 4.3** Selected Third Party shall not be entitled to act or to make legally binding declarations on behalf of the Cascade Funding Partner or any other FED4SAE Beneficiary and shall indemnify all of the latter from any third party claim resulting from a breach of these obligations.
- 4.4** The contractual liability of the Cascade Funding Partner under this Agreement shall in any case be limited to the amount of the Financial Support provided or to be provided to the Selected Third Party hereunder. The Cascade Funding Partner shall not in any case be liable for any indirect or consequential damages such as:
- loss of profits, interest, savings, shelf-space, production and business opportunities;
  - lost contracts, goodwill, and anticipated savings;
  - loss of or damage to reputation or to data;
  - costs of recall of products; or
  - any other type of indirect, incidental, punitive, special or consequential loss or damage.
- 4.5** This limitation of liability shall not apply in cases of wilful act or gross negligence.
- 4.6** The Selected Third Party shall fully and exclusively bear the risks in connection with the Application Experiment for which Financial Support is granted by the Cascade Funding Partner. The Selected Third Party shall indemnify the FED4SAE Beneficiaries and the Cascade Funding Partner for all damages, penalties, costs and expenses which the FED4SAE Beneficiaries or the Cascade Funding Partner as a result thereof would incur or have to pay to the European Commission or to any third parties with respect to such Application Experiment financially supported and/or for any damage in general which the FED4SAE Beneficiaries or the Cascade Funding Partner incur as a result thereof. In addition, should the European Commission have a right to recovery against the Cascade Funding Partner or another FED4SAE Beneficiary regarding the Financial Support granted under this Agreement, the Selected Third Party shall pay the sums in question in the terms and the date specified by the Cascade Funding Partner. Moreover, the Selected Third Party shall indemnify and hold the FED4SAE Beneficiaries and the Cascade Funding Partner, their respective officers, directors, employees and agents harmless from and against all repayments, loss, liability, costs, charges, claims or damages that result from or arising out of any such recovery action by the European Commission.
- 4.7** In respect of any information or materials (including Results and Background) supplied by one Party to another Party or to a FED4SAE Beneficiary, or by a FED4SAE Beneficiary involved in the applicable Application Experiment to a Party, no warranty or representation of any kind is made, given or implied as to the sufficiency, accuracy or fitness for purpose nor as to the absence of any infringement of any proprietary rights of third parties.

Therefore,

- the recipient, shall in all cases be entirely and solely liable for the use to which it puts such information and materials (including Results and Background), and
- there is no liability in case of infringement of proprietary rights of a third party resulting from any Access Rights.

## **5. INTELLECTUAL PROPERTY RIGHTS POLICY**

The Selected Third Party acknowledges the terms of the “Intellectual Property Rights Policy” defined hereinafter. The Selected Third Party agrees that it will comply with (i) the duties concerning Results under the Grant Agreement including those set out in Articles 27, 28, 29, 30 and 31 thereof; and (ii) the

Intellectual Property Rights Policy to ensure that the Cascade Funding Partner will always be able to comply with such terms towards the other FED4SAE Beneficiaries.

### **5.1 General Principle regarding Ownership**

Results are owned by the Party or by the FED4SAE Beneficiary that generates them.

### **5.2 Joint Results**

As requested in the Consortium Agreement signed between the FED4SAE Beneficiaries, among which the Cascade Funding Partner, if, in the course of carrying out the Application Experiment, a Result is generated by the Selected Third Party with one or several FED4SAE Beneficiaries or their Affiliated Entities (the “Contributors”), and if the contributions to or features of such Result form an indivisible part thereof to the extent that none of the said Contributors could reasonably claim full ownership of this Result, such Result shall be jointly owned by them in equal shares, unless differently agreed by the Contributors.

Where such joint Result is covered by intellectual property rights, the Contributors shall execute a joint ownership agreement regarding the allocation and the conditions of exploitation of the joint Result as soon as possible. They shall do all their best efforts to execute such joint ownership agreement at the latest six (6) months after the beginning of the industrial or commercial exploitation of such joint Result.

The Contributors shall agree on all protection measures, on their joint ownership shares and on the division of related costs in a joint ownership agreement to be negotiated.

Unless otherwise agreed in the joint ownership agreement:

- each of the Contributors shall be entitled to use their jointly owned Results for internal research activities on a royalty-free basis including for internal educational activities, and without requiring the prior consent of the other Contributors subject to the confidentiality obligations provided in Section 7 in this Agreement, and
- the Contributors shall be entitled to otherwise exploit the jointly owned Results and to grant non-exclusive licenses to third parties (without any right to sub-license), if the other Contributors are given:
  - (a) at least 45 calendar days advance notice; and
  - (b) Fair and Reasonable compensation.

With respect to the “Fair and Reasonable compensation” due to the FED4SAE Beneficiary which are Non-Profit Organisations, considering their specific positioning, “Fair and Reasonable compensation” means, if requested by such Non-Profit Organisations, that they will receive a financial compensation in case of direct or indirect exploitation of joint Results.

The Parties expressly agree herein that in case of joint ownership between Industrial Parties and save as follows where INTEL is a joint owner, such Industrial Parties are entitled to directly Exploit their joint Result without asking the other Industrial Parties’ approval and without paying any compensation to the other Industrial Parties. In instances where INTEL is a joint owner of Results together with (an)other Industrial Party(ies), the above shall not apply and each of the joint owners shall be entitled to Exploit the joint Results as it sees fit, and to grant non-exclusive licences, without obtaining any consent from, paying compensation to, or otherwise accounting to any other joint owner, unless otherwise agreed between the joint owners, and this provision constitutes a “joint ownership agreement” for the purposes of Article 26.2 of the Grant Agreement.

### **5.3 Access Rights**

Each Party hereby agrees and accepts that this Section 5.3 does not apply to any Participating Platform Partner, and the Selected Third Party hereby waives any Access Rights from the Participating Platform Partner..

For the purpose of this article 5.3, Background shall mean the Background as listed in the Specific Application Experiment Contract and validated by the Participating Partners for the concerned Application Experiment.

Access Rights to Background and Results may be requested by the Selected Third Party from the Cascade Funding Partner only if the following conditions are fulfilled:

- The Selected Third Party Needs such listed Background for implementation of its tasks in the Application Experiment. Where this is the case, the Selected Third Party will have Access Rights to that Background for the duration of the Application Experiment on royalty-free basis, solely to the extent Needed to implement its tasks in the Application Experiment;

Due to provisions of the Consortium Agreement, Access Rights to Background and Results may be requested by the Selected Third Party from a Participating Partner (other than the Participating Platform Partner) only in the following case and if the following conditions are fulfilled:

- The Selected Third Party Needs such listed Background for Exploitation of its own Application Experiment Results. Where this is the case and subject to the limitations stated in the Specific Application Experiment Contract, the Selected Third Party shall be granted Access Rights to such Background on Fair and Reasonable conditions and upon separate written bilateral agreement between the Selected Third Party and the owning Participating Partner. A request for Access Rights for Exploitation may be made up to twelve months after the end of the Application Experiment.
- The FED4SAE Beneficiaries involved in the Application Experiment enjoy the same Access Rights on Background or Results owned by the Selected Third Party for implementation of the Application Experiment or, direct or indirect Exploitation of their Results, under the same conditions mentioned hereinabove.

For the avoidance of doubt, any grant of Access Rights not covered by this Section shall be at the absolute discretion of the owner and subject to such terms and conditions as may be agreed between the owner and recipient.

## **6. PARTICIPATION OF PLATFORM PARTNERS**

**6.1** The Selected Third Party shall not be entitled to act or to make legally binding declarations on behalf of the Participating Platform Partner(s).

**6.2** Each Party hereby agrees and accepts the following with respect to the Participating Platform Partner:

6.2.1 The platform or other tangible items of a Participating Platform Partner to be used in the Application Experiment will be purchased by the Selected Third Party at standard commercial prices, unless expressly otherwise agreed in writing by the owning Participating Platform Partner.

6.2.2 Save as stated at 6.2.3 below or save as previously expressly agreed in writing with the Participating Platform Partner, no Background of such Participating Platform Partner or of any of its Affiliated Entities will be either used or introduced to the Application Experiment, and all such Background is expressly excluded from the Application Experiment and from Access Rights, whether existing before the start of the Application Experiment, or created during the Application Experiment but independently of the work funded under the Application Experiment, and each Party hereby formally waives any right to take a licence on any such other Background. Except as explicitly granted in the applicable commercially available terms referred to in 6.2.3 below, no licence, immunity, or other right is granted or assigned under this Standard Application Experiment Contract (including its Annexes), either directly or indirectly, by implication, estoppel or otherwise, to any party with respect to any intellectual property rights of such Participating Platform Partner or any of its Affiliated Entities.



- 6.2.3 In addition to any products listed by the Participating Platform Partner in Annex 4, the Participating Platform Partner may, at its sole discretion, decide to use or introduce to the specific Application Experiment one or more of such Platform Partner's or its Affiliated Entities' or subcontractor's commercially available products. In the event that such Participating Platform Partner decides to do so, such commercially available products shall be introduced on an "as is" basis, in the form in which, and on the terms on which, they are commercially available as at the time of such use or introduction. The terms and provisions governing the access to, and use of, such commercially available products shall be the prevailing terms.
- 6.2.4 The work committed by the Participating Platform Partner(s) and done by the Participating Platform Partner, under the Application Experiment, is only to provide support services consistent with the services which the Participating Platform Partner would usually provide to a third party purchaser of the applicable Participating Platform Partner's commercially available products.
- 6.3** The Participating Platform Partner(s) have no liability whatsoever to any Party in respect of any aspects of the Application Experiment or of this Agreement (including its Annexes). All potential liability (whether contractually or in tort) of the Participating Platform Partner for damages caused to the Parties or the other Participating Partners (including liability for gross negligence) is hereby excluded to the fullest extent permitted by applicable law, and where it cannot be excluded, the total aggregate liability of the Participating Platform Partner in any way arising from the Application Experiment, this Agreement and its Annex 4, will not exceed the amount of fifty percents of the Financial Support

#### **6.4 Feedback**

- 6.4.1 The Selected Third Party will do its reasonable efforts to provide the Participating Platform Partner(s) with such Feedback relating to such products and technology of the Participating Platform Partner or its Affiliated Entities used in the applicable Application Experiment, as the Participating Platform Partner may reasonably request.
- 6.4.2 Any Feedback provided to the Participating Platform Partner in relation to its, or its Affiliated Entities' products and technology will be deemed to have been provided on a non-confidential basis by the Selected Third Party providing such Feedback, unless otherwise agreed. Notwithstanding anything else in this Agreement, the Participating Platform Partner (or, as the case may be, its Affiliated Entities) to whose products and technology of the Participating Platform Partner or its Affiliated Entities such Feedback and any other Participating Platform Partner Product Information relates, shall be irrevocably and unconditionally entitled to Exploit and otherwise use and to permit use of such Participating Platform Partner Product Information, for all purposes without any restriction in any manner they decide, without giving notice, obtaining consent or paying any compensation. For the sake of clarity, the Selected Third Party disclosing such information remains the owner of such Results and remain also entitled to freely use such Results without this implying any licence to the intellectual property rights of the Platform Provider or its Affiliates Entities.

### **7. CONFIDENTIALITY**

- 7.1** The Parties acknowledge that the FED4SAE Beneficiaries have entered into a Consortium Agreement including confidentiality obligations. For the avoidance of doubt, Section 7 below only applies for the Confidential Information exchanged between the Parties hereto for the purpose of the Application Experiment, as far as not agreed otherwise between the concerned Partners in the Consortium Agreement. All information of whatever nature and in whatever form or mode of communication, which is disclosed by a Party (the "Disclosing Party") to another Party (the "Recipient") in connection with the Application Experiment during its implementation and which has been explicitly marked as

“confidential” at the time of disclosure, or when disclosed orally has been identified as confidential at the time of disclosure and has been confirmed and designated in writing within fifteen (15) calendar days from oral disclosure at the latest as confidential information by the Disclosing Party, is “Confidential Information”.

The Recipients hereby undertake for the duration of the Application Experiment and a period of 4 years after the end of the Application Experiment:

- not to use Confidential Information otherwise than for the purpose for which it was disclosed;
- not to disclose Confidential Information to any third party other than its Affiliated Entities without the prior written consent by the Disclosing Party;
- to ensure that internal distribution of Confidential Information by a Recipient to its employees or to its Affiliated Entities shall take place on a strict need-to-know basis; and
- except as required for continuing Access Rights, to return to the Disclosing Party on demand all Confidential Information which has been supplied to or acquired by the Recipients including all copies thereof and to delete all information stored in a machine readable form. The Recipients may keep a copy to the extent it is required to keep, archive or store such Confidential Information because of compliance with applicable mandatory laws and regulations (i.e. public policy legislation).

The Recipients shall be responsible for the fulfilment of the above obligations on the part of their employees or Affiliated Entities involved in the Application Experiment and shall ensure that they remain so obliged, as far as legally possible, during and after the end of the Application Experiment and/or after the termination of the contractual relationship with the employee or third party.

The above shall not apply for disclosure or use of Confidential Information, if and in so far as the Recipient can show that:

- the Confidential Information becomes publicly available by means other than a breach of the Recipient’s confidentiality obligations;
- the Disclosing Party subsequently informs the Recipient that the Confidential Information is no longer confidential;
- the Confidential Information is communicated to the Recipient without any obligation of confidence by a third party who is to the best knowledge of the Recipient in lawful possession thereof and under no obligation of confidence to the Disclosing Party;
- the disclosure or communication of the Confidential Information is foreseen by provisions of the Grant Agreement;
- the Confidential Information, at any time, was developed by the Recipient completely independently of any such disclosure by the Disclosing Party; or
- the Confidential Information was already known to the Recipient prior to disclosure without any obligation of confidentiality to the Disclosing Party or
- the Recipient is required to disclose the Confidential Information in order to comply with applicable laws or regulations or with a court or administrative order subject to the last paragraph of this Section.

The Recipient shall apply the same degree of care with regard to the Confidential Information disclosed within the scope of the Application Experiment as with its own confidential and/or proprietary information, but in no case less than reasonable care.

Each Recipient or Disclosing Party shall promptly advise the other Recipient or Disclosing Party in writing of any unauthorised disclosure, misappropriation or misuse of Confidential Information after it becomes aware of such unauthorized disclosure, misappropriation or misuse.

If a Recipient becomes aware that it will be required to disclose Confidential Information in order to comply with applicable laws or regulations or with a court or administrative order, it shall, to the extent it is lawfully able to do so, prior to any such disclosure:

- notify the Disclosing Party of said request, and

- comply to the extent possible with the Disclosing Party's reasonable instructions to protect the confidentiality of the information at the Disclosing Party's expense, and
- make such disclosure only to the extent it is compelled.

**7.2** As far as Cascade Funding Partner is concerned, disclosure of Confidential Information to the European Commission shall be governed by the terms of the GA.

As far as Selected Third Party is concerned, disclosure of Confidential Information to or from another Participating Partner (other than the Cascade Funding Partner) shall be governed by the terms of a specific non-disclosure agreement to be signed between them.

## **8. DISSEMINATION**

Each Party agrees that any dissemination activity (including publications, presentations or contributions to any standards organisation) by the Selected Third Party is subject to the prior written approval of the other Participating Partners.

The Cascade Funding Partner and the other Participating Partners are entitled to include the main issues and information regarding the Application Experiment in their reporting towards the European Commission, subject to prior written notification to the Selected Third Party.

## **9. CHECKS AND AUDITS**

The Selected Third Party undertakes to provide any detailed information, including information in electronic format, requested by the European Commission or by any other outside body authorised by the European Commission to check that the Application Experiment and the provisions of this Agreement are being properly implemented.

The Selected Third Party shall keep at the European Commission disposal all original documents, especially accounting and tax records, or, in exceptional and duly justified cases, certified copies of original documents relating to the Agreement, stored on any appropriate medium that ensures their integrity in accordance with the applicable national legislation, for a period of five years from the date of payment of the balance specified in the grant agreements.

The Selected Third Party agrees that the European Commission may have an audit of the use made of the Financial Support carried out either directly by the European Commission staff or by any other outside body authorised to do so on its behalf. Such audits may be carried out throughout the period of implementation of the Agreement until the balance is paid and for a period of five years from the date of payment of the balance. Where appropriate, the audit findings may lead to recovery decisions by the European Commission.

The Selected Third Party undertakes to allow European Commission staff and outside personnel authorised by the European Commission the appropriate right of access to the sites and premises of the Selected Third Party and to all the information, including information in electronic format, needed in order to conduct such audits.

In accordance with Union legislation, the European Commission, the European Anti-Fraud Office (OLAF) and the European Court of Auditors (ECA) may carry out spot checks and inspections of the documents of the Selected Third Party, and of any recipient of Cascade Finding, including at the premises of the Selected Third Party, in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against fraud and other irregularities. Where appropriate, the inspection findings may lead to recovery decisions by the European Commission. The Articles 22 and 23 of the Grant Agreement, also apply to the Selected Third Party.

## 10. TERM AND TERMINATION

This Agreement shall have effect from the Effective Date identified at the beginning of this Agreement and shall continue in full force and effect until xxxxxx

The Cascade Funding Partner can terminate this Agreement with immediate effect through written notice to the Selected Third Party and to the other Participating Partners:

- if the Selected Third Party is in breach of any of its material obligations under this Agreement, which breach is not remediable, or, if remediable, has not been remedied within thirty (30) days after written notice to that effect from the party not in breach,
- if, to the extent permitted by law, the Selected Third Party is declared bankrupt, is being wound up, is having its affairs administered by the courts, has entered into an arrangement with its creditors, has suspended business activities, or is the subject of any other similar proceeding concerning those matters, or
- if the Selected Third Party is subject to an event of Force Majeure (in accordance with how that term is defined under Article 51 of the Grant Agreement), which prevents the Selected Third Party from correct performance of its obligations hereunder and such circumstances have lasted, or can reasonably be expected to last more than six (6) weeks.

Access Rights granted to the Selected Third Party shall cease immediately upon the effective date of termination. The expiry or termination of this Agreement shall not otherwise affect the obligations of the Parties under Sections 2, 4, 5, 6, 7, 8, 9 and 11 which shall survive the expiry or termination of the Agreement.

## 11. CONCLUDING CONDITIONS

**11.1** The Parties will not sign Annex 4, and the terms of this Agreement (for the sake of clarity this includes Annex 4) will not be effective, until the Cascade Funding Partner has received written confirmation from each Participating Partners that it agrees to their content. This written confirmation can be given by each Participating Partners sending by email or facsimile to the Cascade Funding Partner.

Once each written confirmation is given by each Participating Partners, any ancillary agreements, amendments, additions or modifications to this Agreement shall be made in writing and signed by the Parties, but will only become effective after the Cascade Funding Partner has received written confirmation from each Participating Partners that it agrees to their content, such written confirmation to be given in the manner set out at the above paragraph.

**11.2** The Selected Third Party's consistent level in its respective field of expertise played a key role in the selection of the Selected Third Parties to implement the Application Experiment. Any total or partial transfer of provisions and the rights and duties it entails is subject to the prior formal approval of all FED4SAE Beneficiaries.

**11.3** Any subcontract by the Selected Third Party concerning some of its tasks under this Agreement requires the prior written consent of the Cascade Funding Partner and does not affect its own obligations resulting from this Agreement. The Selected Third Party shall secure that the subcontractor will comply with all obligations – especially coming from the GA, and with regard to confidentiality – resulting from this Agreement and that the results attained by the subcontractor will be available in accordance with Section 5.

**11.4** If any provision of this Agreement is determined to be illegal or in conflict with the applicable law, the validity of the remaining provisions shall not be affected. The ineffective provision shall be replaced by an effective equivalent provision. The same shall apply in case of a gap.

- 11.5** This Agreement shall be governed by and construed in accordance with the laws of Belgium.
- 11.6** Any disagreement or dispute which may arise in connection with this Agreement and which the Parties are unable to settle by mutual agreement will be brought before the courts of Brussel, Belgium.
- 11.7** List of Annexes:  
Annex 1 Grant Agreement  
Annex 2 Technical report template  
Annex 3 Costs report template  
Annex 4 Specific Application Experiment Contract

Done in two originals, one for each Party.

Signature Selected Third Party :	Signature Cascade Funding Partner
Date :	Date :

## **ANNEX 1 - GRANT AGREEMENT**

As an indirect beneficiary, the Selected Third Party has to fulfill the obligations of the Grant Agreement (not the annexes though) and including but not limited to articles 6, 13.1, 22, 23, 26. 3, 32, 35, 36, 38 and 46 of the Grant Agreement which directly concern the Selected Third Party. This documentation is provided under separate cover on request of the Selected Third Party. These obligations are part of the Agreement. In case of contradiction between these obligations and the Agreement, the terms of the Agreement will prevail.

## **ANNEX 2 - TECHNICAL REPORT TEMPLATE**

### **Document Description**

The technical report includes an explanation of work carried out, an overview of progress and a publishable summary (describing the overview of the results and the exploitation and dissemination, the conclusions of the actions and its socio-economic impacts).

#### **1. Introduction**

Description of the objectives of the Application Experiment (concept and objectives), progress beyond state-of-the-art and potential innovation, targeted CPS product description and used CPS platform.

#### **2. Progress of the Application Experiment**

Short discussion of the Application Experiment's progress (project management, implementation, etc).

#### **3. Results and Analysis**

- Describe the results including required details compared
- Use diagrams, tables and figures for overview and understanding
- Show results vs. requirements vs. state of the art
- Describe cooperation of the Participating Partners
- Give an interpretation and/or analysis of the results
- Highlight major achievements
- Highlight major impacts for the European industry (industrial relevance, exploitation plans and business view):
  - Describe customers commitment reached
  - Describe access to market and relevant roadmap following Application Experiment
  - Direct impact on the Selected Third Party
  - Expected further impact
  - Further financing plan and achievements

#### **4. Summary and Conclusion**

Summarize major results and achievements and evaluate them compared with the objectives



### ANNEX 3 - COSTS REPORT TEMPLATE

0000FFH2020 Model Annex 4: General MGA Multi Beneficiary: December 2013

print format A4 landscape

#### MODEL ANNEX 4 FOR GENERAL MGA - MULTI-BENEFICIARY

FINANCIAL STATEMENT FOR [BENEFICIARY [name]/ LINKED THIRD PARTY [name]]

Eligible* costs (per budget category)											Receipts		EU contribution			Additional information		
A. Direct personnel costs				B. Direct costs of subcontracting	[C. Direct costs of fin. support]	D. Other direct costs		E. Indirect costs	[F. Costs of ... ]		Total costs	Receipts	Reimbursement rate %	Maximum EU contribution ***	Requested EU contribution	Information for indirect costs :		
A.1 Personnel		A.4 SME owners without salary				D.1 Travel	D.4 Costs of large research infrastructure		[F.1 Costs of ...] **	[F.2 Costs of ...]**		Receipts of the action, to be reported in the last reporting period, according to Article 5.3.3				Costs of in-kind contributions not used on premises		
A.2 Natural persons under direct contract		A.5 Beneficiaries that are natural persons without salary				D.2 Equipment												
A.3 Seconded persons [A.6 Personnel for providing access to research infrastructure]						D.3 Other goods and services												
Form of costs****	Actual	Unit ⓐ	Unit ⓐ	Actual	Actual	Actual	Actual	Flat-rate ⓐ	Unit ⓐ	Unit ⓐ								
			XX EUR/hour					25%	XX EUR/unit									
	(a)	Total (b)	No hours	Total (c)	(d)	(e)	(f)	(g)	(h)=0,25x((a)+(b)+(c)+(f)+(g)+((i1))ⓐ+((i2))ⓐ. (o))	No units	Total (i1)	Total (i2)	(j) = (a)+(b)+(c)+(d)+(e)+(f)+(g)+(h)+(i1)+(i2)	(k)	(l)	(m)	(n)	(o)

The beneficiary/linked third party hereby confirms that:  
 The information provided is complete, reliable and true.  
 The costs declared are eligible (see Article 6).  
 The costs can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 17, 18 and 22).  
 For the last reporting period: that all the receipts have been declared (see Article 5.3.3).

ⓐ The beneficiary/linked party must declare all eligible costs, even if - for actual costs, unit costs and flat-rate costs - they exceed the amounts indicated in the estimated budget (see Annex 2). Amounts not declared in the individual financial statement will not be taken into account by the [Commission][Agency]

\* See Article 6 for conditions for costs to be eligible

\*\* Depending on its type, this cost will or will not include indirect costs.

Costs that include indirect costs are: costs of energy efficiency measures in buildings, costs of providing trans-national access to research infrastructure and costs of clinical studies.

\*\*\* This is the theoretical amount of EU contribution if the reimbursement rate is applied to all the reported costs. At the payment of the balance, the theoretical amount of EU contribution for the action is capped by the maximum grant amount.

\*\*\*\* See Article 5 for forms of costs

ⓐ unit : hours worked on the action; costs per unit (hourly rate) : calculated according to beneficiary's usual accounting practice

ⓑ unit : hours worked on the action; cost per unit : XX EUR

ⓒ flat rate : 25% of eligible direct costs, from which are excluded: direct costs of subcontracting, costs of in-kind contributions not used on premises, direct costs of financial support, and unit costs declared under Point F if they include indirect costs

ⓓ unit : ... ; costs per unit : XX EUR

ⓔ unit : ... costs per unit ... (the units and the costs per unit are set out in Annex 2 of the grant agreement)

ⓕ only unit costs not including indirect costs to be added

**ANNEX 4 - SPECIFIC APPLICATION EXPERIMENT CONTRACT****FED4SAE Specific Application Experiment Contract**

This FED4SAE Specific Application Experiment Contract for implementation of the Application Experiment by the Selected Third Party, hereinafter referred to as the “Specific Application Experiment Contract”, is entered into by and between:

...., an organisation under the laws of ...., having its registered office at ..., herein represented by ...., hereinafter referred to as “Cascade Funding Partner”

And

...., an organisation under the laws of ...., having its registered office at ..., herein represented by ...., hereinafter referred to as “Selected Third Party”

Hereinafter sometimes individually or collectively referred to as “Party” or “Parties”.

Whereas Cascade Funding Partner and the Selected Third Party have agreed the main terms and conditions to implement the Application Experiment in the course of the FED4SAE Project by signing the Standard Application Experiment Contract n° xxx which form part of this Specific Application Experiment Contract.

Now therefore it has been agreed as follows:

**1. TERMS AND CONDITIONS FOR THE APPLICATION EXPERIMENT**

The Selected Third Party shall implement the Application Experiment in accordance with the following:

<b>Description of the Application Experiment</b>	
Acronym	
Full Title	
FED4SAE call identification	
Starting date of the Application Experiment:	
Duration of the Application Experiment:	
Date of selection of the Selected Third Party by the Internal Evaluation Committee	

<b>Application Experiment outcomes</b>	
Expected results in terms of Industrial Impact	
Expected results in terms of building blocks, IPs, software and hardware solution	

<b>Implementation of the Application Experiment</b>	
Outline scope of work	
Milestones	
Deliverables	
TASK 1	
Task 1.1	
<b>Description</b>	
<b>Starting date</b>	
<b>Duration</b>	
<b>Inputs</b>	
<b>Deliverable</b>	
Task 1.2	
<b>Description</b>	
<b>Starting date</b>	
<b>Duration</b>	
<b>Inputs</b>	
<b>Deliverable</b>	
TASK 2	
TASK 3	
TASK 4	

<b>Participating Partners technologies and resources</b>	
<name of Participating Partners>	<describe technologies and resources>
<name of Participating Partners>	<describe technologies and resources>

<b>Participating Partners IPR</b>	
Participating Partners' Background (including limitations and restrictions)	<describe Background >
Selected Third Party's Background (including limitations and restrictions)	<describe Background >

<b>Participating Platform Partners</b>	
Name of the Participating Platform Partner	
Basis of participation	XXX is participating on the terms set out at Section 6 of the Standard Application Experiment Contract.
Specific conditions to the Platform (including limitations and restrictions)	

<b>Financial conditions</b>	
Financial Support	
Schedule of payment	After signature of Standard Application Experiment Contract by both Parties, i.e. Selected Third Party and Cascade Funding Partner (incl. annex 4): 25% Completion intermediate milestones/associated deliverables: 60% Application Experiment closure documented by associated deliverables: 15%
Payment conditions	
Penalties	

<b>Participating Partners involved in the Application Experiment</b>	
Competence Partners	
<b>Name &amp; surname</b>	
<b>Department</b>	
<b>Tel:</b>	
<b>Email:</b>	
Platform Partners	
<b>Name &amp; surname</b>	
<b>Department</b>	
<b>Tel:</b>	
<b>Email:</b>	
Innovation Management Partners	
<b>Name &amp; surname</b>	
<b>Department</b>	
<b>Tel:</b>	
<b>Email:</b>	
Networking Partners	(if applicable)
<b>Name &amp; surname</b>	
<b>Department</b>	
<b>Tel:</b>	
<b>Email:</b>	
Selected Third Party Project Manager and its Affiliates	
<b>Name &amp; surname</b>	
<b>Department</b>	
<b>Tel:</b>	
<b>Email:</b>	
Cascade Funding Project Manager	
<b>Name &amp; surname</b>	
<b>Department/laboratory</b>	
<b>Tel:</b>	
<b>Email:</b>	
<b><u>Date of agreement of all the Participating Partners involved in the Application Experiment</u></b>	

**2. COMMITMENT**

The Selected Third Party hereby commits:

- to respect the limit of 15% of Financial Support dedicated to subcontracting, and
- to respect the 70% funding rate of the Application Experiment’s total budget, and
- not to make profit from the Financial Support, and
- to follow H2020 rules fixed by the European Commission.

**3. MISCELLANEOUS**

3.1 This Specific Application Experiment Contract, composed of the Standard Application Experiment Contract and its Annexes 1 to 4 included, constitutes the sole and complete understanding of the Parties with respect to its subject matter and supersedes all prior or contemporaneous communications between the Parties concerning such subject matter, except the Reciprocal Non-Disclosure Agreement in the field of FED4SAE Application Experiment n°..... which include more parties than this Agreement. This Specific Application Experiment Contract will be governed and construed according to the choice of governing and constructive law set forth in the Standard Application Experiment Contract .

3.2 Save to the extent expressly modified in this Specific Application Experiment Contract, all of the terms of the Standard Application Experiment Contract and Annexes 1-4 included shall apply to this Specific Application Experiment Contract. Save to the extent expressly specified in this Specific Application Experiment Contract, all capitalized terms used in this Specific Application Experiment Contract which are defined in the Standard Application Experiment Contract shall have the meaning given in the Standard Application Experiment Contract. In the event of a conflict between this Specific Application Experiment Contract and the terms of the Standard Application Experiment Contract, the terms of the Standard Application Experiment Contract shall apply.

3.3 The terms of Clause 11.1 of the Standard Application Experiment Contract will apply to the signing and enforceability of this Annex 4.

Done in two originals, one for each Party.

Signature Selected Third Party :	Signature Cascade Funding Partner
Date :	Date :