

Annex 3 – General Terms For Collaborative Research Within FFI

1. Definitions

- 1.1. Unless otherwise manifestly evident from the context, the following terms – when used in any part of the Agreement – shall have the meanings set out below.

"Agreement" shall mean the project agreement to which these General Terms are an annex, including all of its annexes, as well as amendments and supplements to or in each document of such type, in accordance with the provisions of the Agreement.

"Authority" shall mean the authority that issued the Grant Decision according to the other provisions of the Agreement.

"Background Information" means information held by a Party (as owner, or with a right of use) and contributed by it to the Project at some stage of the Project Term in accordance with applicable provisions in these General Terms, and which is significant in relation to the carrying out of the Project in accordance with the Project Plan, such as technical know-how, inventions, knowledge about materials, equipment and products, and patents as well as other intellectual property rights.

"Confidential Information" shall mean a) information of any type that a Party has disclosed to another Party within the Project context, provided that such information is clearly marked as confidential or, in the case of verbal information, has been specified as confidential or is otherwise manifestly of confidential nature, b) a Corporate Party's Background Information and Individual Project Results, which however shall not be defined as Confidential Information for the Corporate Party itself, c) a Research Party's and a Holding Company's Background Information and Individual Project Results that have not been published, provided that such Background Information and Project Results shall not be defined as Confidential Information for the Research Party or the Holding Company itself, and d) unpublished Joint Project Results.

"Corporate Party" shall mean a Party who is neither a Research Party nor a Holding Company.

"Cost Plan" shall mean the Project's FFI Budget Form as set out in a separate annex to the Agreement, with the Parties' budget for completion of the Project, divided per Party and year and with a description of financing.

"General Terms" shall mean these general terms for collaborative research within FFI.

"Grant Decision" shall mean the Authority's decision to finance a Party's performance of work in the Project in the form of a grant to such Party, including the terms and conditions applicable to the Authority's grant.

"Group Company" shall mean a legal entity which, under Chapter 1, Section 11 of the Companies Act (2005:551) forms part of the same group of companies as a Party, or (in relation to foreign legal entities) which would have done so under the same provision if its board of directors had its registered seat in Sweden.

"Holding Company" shall mean a Party that is fully managed and controlled by a University with the task of owning and managing shares in other companies and includes also such Party's Group Companies.

"Individual Project Result" shall mean a Project Result which a Party generated alone or independently of collaboration with any other Party.

"Joint Project Result" shall mean a Project Result generated by several Parties in collaboration.

"Party/ies" shall mean the entities having signed the Agreement.

"Project" shall mean the research or innovation project that the Parties intend to run jointly under the Agreement and which is defined in the Project Plan.

"Project Coordinator" shall mean the Party designated as such in the Agreement and who acts, as described in these General Terms, as coordinator of and direct beneficiary in the Project.

"Project Manager" shall mean the person in charge of the daily management of the Project, as appointed according to separate provisions in the Agreement.

"Project Plan" shall mean the FFI Project Description which forms part of the Grant Decision and is also included as an Annex to the Agreement.

"Project Results" shall mean all results, including information, that arise through the carrying out of the Project, regardless of whether or not it can be protected under intellectual property law, such as technical know-how, inventions, knowledge about materials, equipment and products, and other intellectual property rights.

"Project Share" shall mean the contribution in Swedish kronor, which according to the Cost Plan corresponds to a relevant Party's total costs (regardless of how these are financed) of its own contributions to the Project.

"Project Term" shall mean the duration of the Project as set out in the Grant Decision.

"Publication Notice" shall mean a written notification of intention to publish or otherwise make public information (such as Background Information and Project Results) attributable to the Project.

"Researcher" shall mean each individual who is employed as teacher or researcher at a University and who, in this capacity, carries out work in the Project in accordance with the Project Plan.

"Research Party" shall mean a Party that carries out research activities and is a college, university or other research body (e.g. a research institute).

"Result Notice" shall mean a written notification of Project Results in accordance with Clause 2.2.2 in these General Terms.

"Steering Group" shall mean the highest ranking decision-making body in the Project, as regulated under a separate heading in these General Terms.

"University" shall mean a Research Party that is a college or university.

"Utilise" shall mean a Corporate Party's direct or indirect use of Project Results or Background Information in research activities or for purposes of developing, creating, manufacturing, marketing, providing and/or maintaining a product, process or service in its own operations.

- 1.2. If compensation is payable under the Agreement for use or assignment of a Project Result, all taxes and social security contributions falling due as a result of such compensation (whether wholly or partly) to the receiving Party's employees shall (where applicable) also be covered.

2. Overall Obligations of the Parties

2.1. Completion of the Project

- 2.1.1 The Parties undertake, throughout the Project, to endeavour to make the Project a success, to complete the Project to their best ability in accordance with the Project Plan and with the care and skill that can reasonably be expected of them, and not to discriminate against any other Party.
- 2.1.2 A Party may, within the Project, hire subcontractors to carry out minor work that are not already subject to outsourcing under the Project Plan. Performance by subcontractors to a greater extent of such work must be approved in advance by the Authority and (unless the subcontractor is retained by a Party's Group Company) by the other Parties.

2.1.3 All Parties shall provide each other with such assistance as may reasonably be required so that their respective obligations within the Project (for example, in relation to organisation, reporting and audits) can be performed.

2.2. Duty of disclosure

2.2.1 Each Party shall ensure, with every due care that can reasonably be expected of such Party, that all information (including Background Information) disclosed to other Parties within the Project is correct and up-to-date. Each Party shall also disclose, with the same level of care and without undue delay, any reservations required in such respect because of circumstances which such Party is, or becomes aware of. In connection therewith, such Party shall in the same manner disclose restrictions in relation to the validity of the information and risks of infringement of third party rights.

2.2.2 A generating Party shall notify the Project Manager and the other Parties promptly in writing (via their respective representatives in the Steering Group) of the origination of all and any Project Results that may reasonably be assumed to be of current or future commercial interest to such Party or to another Party (a Result Notice) with a detailed description of the Project Result and, where applicable, information on generating Researchers. A Research Party shall also specify in the notice if there is an existing intention to issue a Publication Notice within three (3) months thereafter in relation to the same Project Result.

2.3. Economic Assumptions

2.3.1 Budgeted costs of the Project as well as the Parties' respective economic obligations are set out in the Cost Plan. Each Party is responsible for their own part of the Project financing. Accordingly, the Parties shall not have any joint and several liabilities.

2.3.2 The Parties' pledged cash contributions shall, where applicable, be paid to the Project Coordinator semi-annually no later than 31 March and 30 September, respectively. A prior specified requisition to the Project Coordinator is required in order for such cash to be allocated to a Party.

2.3.3 The Parties' efforts in the Project will be valued at actual costs according to the principles set out in the Grant Decision.

3. **Organisation, Reporting and Audits**

3.1. General

3.1.1 Work in the Project shall be carried out in accordance with the Project Plan, and responsibilities shared among the Steering Group, the Project Coordinator and the Project Manager as described below.

3.1.2 Each Party shall be responsible for the performance of its own obligations according to the Project Plan.

3.2. Steering Group

3.2.1 The Steering Group is the highest-ranking decision-making body of the Project, and responsible for completion of the Project within the framework of available funds, with decision-making authority in all matters arising in, or being relevant to the Project. Neither the Steering Group nor the members thereof have a mandate to represent any of the Parties, the Parties jointly or the Project in relation to third parties, to take decisions constituting exercise of authority or to make

decisions that alter a Party's rights or obligations under the Agreement without the approval of the affected Party.

- 3.2.2 The Steering Group shall consist of an equal number of representatives of each of the Parties, who shall appoint them in consultation with each other. As at the date of execution of the Agreement, the Steering Group consists of the representatives listed in a separate annex to the Agreement. If a Party replaces its representative(s), such Party must notify the other Parties according to the notice provisions of the Agreement.
- 3.2.3 The Project Coordinator's representative shall be Chairman of the Steering Group.
- 3.2.4 The Steering Group shall meet as and when needed, or if so requested by any of its members. The Chairman shall convene all meetings.
- 3.2.5 The Steering Group shall have a quorum if more than half of the Parties are represented. Decisions shall be taken with a simple majority of votes, with all members having one vote each and with a casting vote for the Chairman in case of a tie.
- 3.2.6 A Party shall have a right to ex post veto a Steering Group decision that materially conflicts with such Party's legitimate interests. This is provided, however, that such Party's representative did not vote in favour of the decision. A veto must be submitted in writing to the Steering Group without undue delay, but in any event no later than one (1) month as from the vetoing Party's receipt of approved minutes (including detailed contents of the decision), and must also be well motivated.
- 3.2.7 Minutes shall be kept of all Steering Group meetings. The minutes shall be approved and sent to all Parties without undue delay.
- 3.3. Project Coordinator
- 3.3.1 The Project Coordinator shall coordinate the Project and, to the extent required, represent the other Parties in relation to the Project before the Authority and be responsible for ensuring that requested reports are drafted and submitted (with a copy to the Steering Group).
- 3.3.2 The Project Coordinator shall also be responsible for the Project's financial administration and for other administrative work according to the Project Plan.
- 3.4. Project Manager
- 3.4.1 Within the Project there shall be a Project Manager, who shall manage the day-to-day coordination and review in the Project and perform other tasks that may be defined by the Steering Group.
- 3.4.2 The Grant Decision sets out who is Project Manager at the start of the Project. A change of Project Manager must be approved by the Authority.
- 3.4.3 The Project Coordinator may wholly or partly delegate his/her responsibilities relating to reporting and financial administration etc. to the Project Manager.
- 3.4.4 The Project Manager shall participate in the Steering Group meetings, unless the Steering Group decides otherwise. The Project Manager shall have no right to vote at such meetings.

3.5. Relationship With the Authority

- 3.5.1 The Parties are aware that, under the Grant Decision, the Authority has independent rights, subject to potential confidentiality restrictions, to revise the Project and to duplicate and disseminate all or part of the reports and other information from and regarding the Project.
- 3.5.2 The Parties also acknowledge that regardless of the Project Coordinator's coordinating responsibility each of them may have individual obligations in relation to the Authority under the Grant Decision.

4. **A Party's Relationship with Persons Involved in the Project**

4.1. Liability

- 4.1.1 Each Party shall be responsible as for itself towards the other Parties for employees, Researchers, Group Companies or subcontractors involved by it in the Project.
- 4.1.2 If such involvement was joint by several Parties, they shall correspondingly be jointly and severally responsible.
- 4.1.3 A Holding Company who is Party to the Agreement is responsible in relation to the other Parties as for itself for its own Group Companies (non-Party Holding Companies) that exercise rights and/or perform obligations under the Agreement.

4.2. Contracting Obligations

- 4.2.1 Each Party shall, in relation to all persons it intends to involve in the Project, conclude agreements in advance and obtain undertakings as required to secure the other Parties' rights under the Agreement and to ensure that the involving Party is able to meet its obligations as relating, for example, to confidentiality, disclosure, rights of use to Background Information and option rights as well as rights of use regarding Project Results.

4.3. Agreements Between Universities and Researchers

- 4.3.1 An agreement between a University and a Researcher as described above shall include assignment to the University or any of its Holding Companies of all the Researcher's future Individual Project Results and shares in Joint Project Results. The other Parties shall accept that a certain Project Result may be assigned back to the Researcher together with the associated rights and obligations when all the Parties' rights to a license in relation to the Project Result have been handled either because the applicable deadline has expired or because a license agreement has been concluded. If the back assignment relates to a share in the Joint Project Result or if a license agreement was concluded in relation to the relevant Project Result, the University or (where applicable) the Holding Company shall notify the affected Parties in advance.
- 4.3.2 Universities and Holding Companies have a right to appoint Researchers who have generated certain Project Results as representatives in negotiations about reasonable terms of assignment or licensing of the same. If such negotiations do not result in agreement within a reasonable period of time, another representative shall be appointed.

4.4. Information

- 4.4.1 Each Party has an obligation to provide copies to the other Parties, at their request, of agreements and undertakings concluded or given in accordance with the above.

5. Confidentiality

- 5.1. No Party may, during the Project Term or a subsequent period of five (5) years, without the disclosing Party's prior written approval disclose Confidential Information to third parties except as expressly permitted below. In relation to the Universities, however, confidentiality never applies to specific pieces of information for more than ten (10) years as of receipt thereof.
- 5.2. The receiving Party may not, in the absence of a right of use granted under the Agreement, use Confidential Information for other purposes than the completion of the Project.
- 5.3. Confidential Information shall be treated by each Party in accordance with its confidential nature and at least in the same manner as such Party's own confidential information, which means for instance that it may be disseminated only to employees, Researchers, Group Companies and subcontractors to the extent they need such information for purposes of their involvement in the Project or use in accordance with the Agreement of Background Information or Project Results.
- 5.4. Written Confidential Information shall be securely stored. It shall also be returned to the disclosing Party at such Party's request, unless otherwise provided for by law or the below provisions on rights of use to Background Information and Project Results. Notwithstanding the above, each Party shall always be entitled to keep and store copies to the extent required for the fulfilment of its statutory archiving obligations.
- 5.5. Confidentiality shall not apply;
 - a) to Confidential Information which was demonstrably already known to the receiving Party at the time received;
 - b) to information which is already publicly known other than through breach of the Agreement;
 - c) if the receiving Party demonstrably already developed similar knowledge independently of the disclosing Party and the Confidential Information concerned;
 - d) to information which the receiving Party obtained from a third party without the latter having breached any obligations of confidentiality;
 - e) if the Party who owns or submitted the Confidential Information consented in writing to disclosure or dissemination thereof;
 - f) to reports to the Authority in accordance with the Grant Decision; or
 - g) to the extent a Party has an obligation to disclose Confidential Information under applicable laws (such as the Public Access to Information and Secrecy Act, as applicable to Universities and other authority-exercising Research Parties), stock market regulations applicable to such Party, or court decisions, provided however that prior consultation has taken place with the affected Party/Parties regarding the manner of disclosure, unless the disclosing Party is subject to an expedited process.

6. Title To and Use of Background Information

- 6.1. Background Information is and shall remain the property of the contributing Party, and may be used freely and disposed of (for instance through assignment) by such Party.
- 6.2. Background Information may, during the Project Term, be used free of charge by all Parties for purposes of carrying through the Project.

- 6.3. Corporate Parties shall be entitled, on fair and reasonable terms, to obtain a non-exclusive, worldwide and perpetual license to Utilise the Background Information of other Parties if and to the extent the licensee needs access to the Background Information in order to be able to Utilise Project Results as provided for in the Agreement. Corresponding rights shall apply to a Corporate Party's Group Companies, provided however that the granting of a license would not conflict with the owning Party's legitimate interests.
- 6.4. Research Parties shall be entitled to obtain a non-exclusive, worldwide, perpetual and royalty free license to use the Background Information of other Parties to the extent required for use in research and educational activities of Project Results which are partly or wholly owned by the Research Party itself or (when such Party is a University) any of its Holding Companies.
- 6.5. Holding Companies shall be entitled, on fair and reasonable terms, to obtain a non-exclusive, worldwide and perpetual license to use the Background Information of other Parties to the extent required for use in their own operations of Project Results which are wholly or partly owned by either the Holding Company itself or its controlling University, provided however that the granting of a license would not conflict with the owning Party's legitimate interests.
- 6.6. Each Party may, in a specially designated annex to the Agreement, exempt (wholly or partly) or limit another Party's right to a license in relation to certain Background Information. If possible, such annex shall be completed already when the Agreement is signed, but no later than when the Background Information is added to the Project.

7. Title To Project Results

- 7.1. Ownership to a Project Result shall accrue to and be owned by the Party that generated it or, if several Parties generated the Project Result, such Parties in equal shares. If, in the latter case, the Parties' contributions (intellectual or other, which by law generate intellectual property rights) in the creation are clearly identifiable and quantifiable, the ownership shares shall, however, be divided proportionately according to the extent of the respective contributions.

8. Management and Disposal of Project Results

8.1. Individual Project Results

- 8.1.1 Each Party is solely responsible for the management of and has a right to freely use, assign and otherwise dispose of its own Individual Project Results unless otherwise expressly set forth in the Agreement. This means among other things that the owning Party shall decide on and bear the costs of patenting and similar measures.

8.2. Joint Project Results

- 8.2.1 A Corporate Party who co-owns a Joint Project Result may freely Utilise such Joint Project Result in its own or its Group Companies' business (by assignment to the Group Companies of the right of use, or its share in the Project Result). Project Results may be licensed, without the consent of other co-owners and without any obligation to compensate such other co-owners, to third parties who need access to the relevant Project Results in connection with their involvement in the assignor's or its Group Companies' business, for e.g. sub-contracted manufacturing.
- 8.2.2 A University may freely use in research activities a Joint Project Result co-owned by itself or any of its Holding Companies. The University may also use such Project Result in its educational activities, provided that the Project Result has been published. Otherwise, prior written consent of the other co-owners is required, such consent not to be unreasonably withheld or delayed. During the Project Term, a non-reply from the recipient after thirty (30) days, or, for re-

quests received during the period of 15 June - 15 August, forty-five (45) days, shall be deemed to constitute a consent.

- 8.2.3 A Joint Project Result co-owned by a University or its Holding Company may also be used freely by the Holding Company in its business, provided that the other co-owners have consented thereto in writing. Such consent may be withheld only if a consent would conflict with the legitimate interests of the relevant co-owner(s).
- 8.2.4 A Joint Project Result co-owned by a Research Party who is not a University may be freely used by such Party in its research activities. Other use in the Research Party's operations is permitted provided the other co-owners consent in writing thereto. In relation to educational activities, such consent may not be unreasonably withheld or delayed.
- 8.2.5 Granting to third parties, or to Parties who are not co-owners, of other rights of use relating to Joint Project Results requires unanimity among all co-owners in relation to granting as such, the terms of use and the allocation of licensing fees (if any).
- 8.2.6 Decisions on intellectual property rights protection of Joint Project Results (regarding, for example, submission of registration applications, who should apply and geographical scope of the protection sought) requires unanimity among the co-owners. All costs associated with registering, maintaining and defending intellectual property rights protection shall be borne jointly, with allocation *pro rata* to the respective ownership shares, unless otherwise agreed.
- 8.2.7 A co-owner who does not wish to participate in a registration application for, or in maintaining or defending intellectual property rights protection, or to bear any part of costs associated therewith shall offer the other co-owners to redeem its share in the Project Result, on terms which are to be, in each situation, agreed and reasonable (as relating to, for example, rights of use and/or compensation). If a cost, which a co-owner does not want to bear, is attributable solely to a certain geographical region or an otherwise separable part of the registered protection, the offer may be restricted to such part of the right.
- 8.2.8 A Party who accordingly declines to participate in an application shall promptly provide such cooperation and assistance as required for another Party to register the intellectual property rights protection. In case of extensive cooperation and assistance, reasonable compensation shall be payable.
- 8.2.9 A co-owner's assignment or other disposal of its share in a Joint Project Result as well as management measures (such as enforcement against infringements) which are not regulated by the Agreement requires the other co-owners' written consent. This does not apply, however, to assignments by a Corporate Party to its Group Company or by a University to its Holding Company (in the latter case subject to exception in relation to assignments during option and pre-emption periods respectively, which are regulated by separate provisions in the Agreement).
- 8.2.10 Notwithstanding any of the above, a co-owner shall always have a right to take action that admits no delay and is necessary for the enforcement of rights relating to Joint Project Results.
- 8.2.11 Neither the Joint Ownership Act nor the Partnership and Non-Registered Partnership Act shall apply in any part to Joint Project Results or co-owner management thereof.

9. Use of Other Parties' Project Result

- 9.1. All Project Results may be used gratuitously during the Project Term by all the Parties to the extent required to complete the Project in accordance with the Project Plan.

- 9.2. Corporate Parties and their Group Companies shall have the right to obtain a non-exclusive, worldwide and perpetual license, on fair and reasonable terms, to Utilise in its own operations another Party's Project Result as well as Project Results generated by a University but owned by its Holding Company. This right applies either solely to the extent required for the requesting Corporate Party's Utilisation of its own Individual Project Results or shares in Joint Project Results, or without limitation. The main document of the Agreement, labelled "FFI Project Agreement", indicates which of the two alternatives is applicable.
- 9.3. A Research Party shall have the right to obtain a non-exclusive, worldwide, perpetual and royalty free license to use another Party's Individual and Joint Project Results to the extent required for use in research activities of its Individual Project Results or shares in Joint Project Results owned by the Research Party itself or (if the Research Party is a University) any of its Holding Companies. Universities shall have a corresponding right also in its educational activities, provided however that the Project Result in relation to which a license is requested has been published. Individual or Joint Project Results that have not been published and that belong to another Party may be used by a University in its teaching activities only with the prior written consent of the owning Party/-ies.
- 9.4. Holding Companies shall have the right to obtain a non-exclusive, worldwide and perpetual license, on fair and reasonable terms, to use another Party's Project Result to the extent required for use in their own operations of Project Results which are wholly or partly owned by either the Holding Company itself or its controlling University, provided however that the granting of a license would not conflict with the owning Party's legitimate interests.

10. Joint Provisions on Licenses to Background Information and Project Results

- 10.1. Licenses to Background Information and Project Results respectively must be requested within three (3) years as from completion of the Project. This deadline shall be extended up to a maximum of two (2) years, if so requested. Research Parties may, however, without any time limitation, request a license for use according to the Agreement of another Party's Project Result.
- 10.2. When a license according to the Agreement is requested, the affected Parties shall promptly start negotiations regarding license terms, which shall be consistent with the Agreement. If the Parties fail to agree, the one who requested the license may request that such terms be finally determined by way of arbitration according to this Agreement. The requesting Party may then choose whether to follow through with, or abstain from the requested license. If none of this has been confirmed within two (2) weeks from the date of the arbitration tribunal's ruling, the license right shall be deemed to have expired.
- 10.3. The costs of arbitration shall be shared equally between the Parties, save that when a University or Holding Company is involved in the arbitration such costs shall be borne fully by the relevant Corporate Party (or the Corporate Parties jointly and severally, if several Corporate Parties are involved in the arbitration). However, the Parties shall always bear their own costs (e.g. for lawyers' fees).
- 10.4. Use may commence once the negotiating Parties have reached an agreement, or when the license has been followed through after an arbitration tribunal ruling. The final license terms shall be confirmed without undue delay in a written license agreement.
- 10.5. Licenses relating to Background Information and Project Results may be assigned or sub-licensed by Corporate Party as licensee to its Group Companies. Sub-licensing is permitted also to third parties to the extent that the right of use is needed for the latter's participation in the

licensee's operations (such as for subcontracted manufacturing). Corresponding sub-licensing rights shall also apply to Corporate Parties' Group Companies.

11. Research Parties' Rights of Use After Assignment

- 11.1. The rights of Research Parties and Holding Companies under the Agreement in relation to use of Project Results and Background Information shall also apply following assignment to another Party or Holding Company of the Research Party's Individual or Joint Project Results.

12. Option and Pre-Emptive Rights to Research Party Project Results

12.1. Option Rights

- 12.1.1 A Corporate Party shall, as set out below, have an option to acquire Individual Project Results owned by a Research Party or a Holding Company, against consideration. The same applies also to acquisition of shares in Joint Project Results which the Corporate Party is already a co-owns of or were generated exclusively by Research Parties.
- 12.1.2 Consideration shall be reasonable, and based on the market value of the acquired Project Result.
- 12.1.3 A Project Result may not be disposed of (e.g. by way of assignment), encumbered with a right of use or published before the deadline as set out below for exercise of option rights has expired in relation to all affected Corporate Parties, unless so explicitly permitted by the Agreement.
- 12.1.4 Options shall be exercised by written notice to the owner, with a copy to the other Corporate Parties. A Party's option right expires if it has not been exercised within six (6) months as of receipt of a Result Notice. However, if a Publication Notice has been served and a Corporate Party has exercised its option, the other Corporate Parties' option rights, if any, shall expire one (1) month after the last of these two events.
- 12.1.5 A Publication Notice including a Project Result which was not previously subject to a Result Notice shall be deemed to constitute a Result Notice in relation to such Project Result.
- 12.1.6 If several Corporate Parties exercise their option rights in relation to the same Project Result, the Corporate Party shall have precedence whose Project Share is largest in relation to firstly the work package, or secondly the sub-project, within which the relevant Project Result was generated, and then thirdly the entire Project. If the Project Shares are identical in all respects, the acquisition shall be made jointly in equal shares. Regardless of Project Shares, Corporate Parties may request a joint acquisition with any share distribution.
- 12.1.7 Upon exercise of an option right, the exercising Corporate Party (with precedence as set out above, where applicable) and the owner shall initiate negotiations without undue delay and act in good faith to reach an expedited settlement regarding fair and reasonable compensation for the assignment. If the Parties are unable to agree, the Corporate Party may request that an impartial valuer be appointed by the Stockholm Chamber of Commerce. All costs for and related to the valuer shall be borne by the Corporate Party.
- 12.1.8 The owner shall be bound to assign the Project Result on the terms set by the valuer, whereas the Corporate Party shall have a right to abstain from the acquisition. If the Corporate Party has not submitted a written notice to the owner within two (2) weeks of the valuer's statement that the acquisition will be followed through, the Corporate Party shall be deemed to have abstained.

- 12.1.9 If exercise of options and negotiations as above lead to no acquisition, the owner shall grant those other Corporate Parties that have exercised their options in a timely manner an opportunity to negotiate correspondingly.
- 12.1.10 If an acquisition is completed, the terms thereof shall be confirmed without undue delay in a written agreement. Subsequently, title shall pass automatically once payment is made, following which the assignor shall take all measures reasonably required to ensure that the assignee can access and dispose of the Project Result.
- 12.2. Pre-Emptive Rights
- 12.2.1 Each Corporate Party shall, for a period of three (3) years after the option period of all Corporate Parties under Clause 12.1.4 has expired, have a pre-emptive right to the same Project Result. This means that during the three-year period Corporate Parties with pre-emptive rights must first be offered and then have waived the opportunity to acquire the Project Result on the negotiated terms before assignment thereof. However, assignment may be made notwithstanding any pre-emptive rights by a University to a Holding Company which is a Party, or to another Holding Company whose business is not likely to infringe on any Corporate Party's legitimate interests and which has accepted the same obligations in relation to the Project Result that apply to the assigning University according to the Agreement.
- 12.2.2 An offer as described above shall be submitted by way of written notice of who the other interested party is and which terms have been negotiated with it. In order to facilitate this, the owner must in relation to third party stakeholders reserve a right, notwithstanding any confidentiality obligations to fulfil its information obligation under this clause, while the Corporate Parties shall, in turn, undertake confidentiality obligations corresponding to those of the owner.
- 12.2.3 Corporate Parties with pre-emptive rights shall respond urgently to offers as above. A Corporate Party that has not expressly accepted an offer within four (4) weeks of receipt of a notice duly made shall be deemed to have rejected the offer.
- 12.2.4 If several Corporate Parties accept an offer as above, bidding shall take place among them and assignment shall be made to the highest bidder.
- 12.2.5 If an acquisition is completed, the terms thereof shall be confirmed without undue delay in a written agreement. Subsequently, title shall pass automatically once payment is made, following which the assignor shall take all measures reasonably required to ensure that the assignee can access and dispose of the Project Result.

13 Public Releases

- 13.1 All public releases (including publication) of Project Results shall be made in accordance with international best practice for the publication of research findings (meaning among other things that another Party's Background Information and Project Results and other Confidential Information may not be publicly released to a greater extent than as permitted under the Agreement) and having regard also to the other terms of the Agreement.
- 13.2 In addition, the below provisions of this Clause 13 shall apply specifically to public releases by a Research Party.
- 13.3 A Research Party shall have a right to publish and otherwise disclose information attributable to Project Results which is wholly or partly owned by the Research Party itself or (where applicable) any of its Holding Companies, subject though to the following.

- 13.4 The Research Party shall, by way of a Publication Notice, report to the Project Manager and other Parties (via their respective representatives in the Steering Group) complete information about the manner and scope of a planned public release and drafts of publications and other materials to be included in or used in connection therewith.
- 13.5 The other Parties shall then have a right, within thirty (30) days as of the receipt of a Publication Notice, or forty-five (45) days if the Publication Notice is received in the period 15 June - 15 August (the "Review Period"), to serve written notice to;
- a) prevent public release on grounds of option rights to Project Results covered by it still being outstanding, whereby a copy of such notice shall be sent to all other Parties;
 - b) request that the public release be postponed due to an application to register intellectual property rights protection of the Project Result covered by it being considered or prepared; or
 - c) request that the contents or manner of the planned public release be amended due to it covering Confidential Information (where however it may not be invoked that Joint Project Results covered by a Publication Notice is Confidential Information) or potentially revealing other trade secrets of the requesting Party, or in case of other extraordinary circumstances.
- 13.6 Grounds for prevention according to Clause 13.4 a) shall be handled as follows.
- a) Grounds for prevention shall cease to apply once the relevant option right expires (*i.e.* if the option is not exercised in a timely manner), when option negotiations (if any) and valuation are concluded, or if the option right is waived in writing. Public release may thereafter take place regardless of whether or not the Project Result are acquired.
 - b) As a fall-back, a Research Party may always disclose information relating to the relevant Project Result six (6) months after the expiry of the Review Period. If the Research Party exercises this possibility and the option right continues to run in relation to the relevant Project Result, a potential purchaser's interest in maintaining the value of the relevant Project Result shall also be taken into account as far as possible when the public release is drafted.
 - c) However, the said fall-back does not apply if the Research Party has failed to perform its agreed duty to serve a Result Notice in relation to the Project Result covered by the planned public release.
- 13.7 Postponement of public releases according to Clause 13.4.b) may only last for up to four (4) months as of the last date of the applicable Review Period and in extraordinary circumstances for a maximum of two (2) additional months.
- 13.8 Following a request under Clause 13.4 c), the affected Parties shall discuss the notified circumstances in good faith with a view to enable the planned public release without undue delay. The Research Party shall in that regard take into account all the wishes of the notifying Party, and take such measures as are reasonably required to meet with these.
- 13.9 A Party who has not in a timely manner following the Publication Notice relating to a Project Result which is wholly or partly owned by a Research Party or a Holding Company served notice for grounds of prevention, postponement or amendment according to Clause 13.4 shall be deemed to have consented to public release in the manner, to the extent and with the contents specified in the Publication Notice.

- 13.10 A Party may not assert grounds for prevention or request postponement of public releases for a longer period or to a greater extent than reasonable. A Party shall handle causes for postponement with reasonable urgency and promptly allow public releases once grounds for prevention, if any, have been removed (for example through the submission of a patent application), *i.e.* even if the applicable postponement deadline has then not yet formally expired.

14 Use of a Party's Name or Trademark

- 14.1 No Party may use another Party's business name or trademark without that other Party's prior written consent unless necessary to fulfil reporting or information obligations in relation to another Party or the Authority in connection with the Project.

15 Accession and Replacement of Parties

- 15.1 Accession as well as replacement of a party to the Agreement and the Project is subject to conclusion of an agreement (governing the rights and obligations applicable to such party) between said party and the existing Parties as well as the Authority's approval of the accession or replacement.

16 Liability

- 16.1 Without prejudice to the duty of disclosure as above, no Party shall be liable for a certain result not being achieved in the Project or because Project Results cannot be used in certain manners.
- 16.2 Liability under this Agreement shall not cover compensation for indirect damages and shall be limited to the higher of two (2) times the liable Party's Project Share and one million (1,000,000) SEK. No such limitation shall apply, however, in case of breach of the agreed provisions relating to confidentiality, public releases, option rights or pre-emptive rights.
- 16.3 A Party's total liability under this Agreement shall never exceed ten-million (10,000,000) SEK.
- 16.4 No limitation of liability in the Agreement shall apply to damages caused intentionally or through gross negligence.
- 16.5 A Party who wishes to claim damages from another Party for damage incurred shall have a duty to reasonably mitigate the harmful effects of the wrongful behaviour.
- 16.6 Failure to perform obligations under the Agreement may not be invoked against a Party during a period when such performance is prevented by circumstances beyond such Party's reasonable control, and the occurrence or the consequences thereof could not reasonably have been foreseen or removed, avoided or overcome by such Party (Force Majeure), such as law order, court decisions, import or export restriction, natural disaster, war and labour conflicts. A Party who wishes to invoke Force Majeure shall promptly notify the other Parties of the occurrence and cessation of such circumstances.

17 Term of Agreement

- 17.1 The Agreement shall enter into force when the Authority decides to grant financing for the Project and the Agreement has been signed by all Parties, with retroactive effect (where applicable) from the date when the Project work actually started (which may never be earlier than the date of the Authority's decision). The Agreement shall then remain in force until expiry of the Project Term.

18 Early termination of the Agreement

- 18.1 This Agreement shall automatically expire if and when the Authority decides to cancel financing to (a) certain Party/Parties, unless the other Parties jointly decide that the Project shall continue (in which case they shall all agree to which amendments to the applicable terms that are required as a result of the new circumstances in the Project).
- 18.2 The Agreement may be terminated by or in relation to a Party as set out below. This provides, however, that the Authority approves such termination, which regardless of any notice period shall become effective as of the date of the Authority's decision or such later date as is set out in the decision.
- 18.3 A Party may terminate the Agreement in advance with six (6) months prior notice, or such shorter notice period as all other Parties approve or the terminating Party shows to be reasonable. It shall then be liable to perform all of its obligations during and after the notice period with respect to commitments already made, unless the Project can otherwise obtain corresponding contributions on reasonable terms and conditions.
- 18.4 This Agreement may be terminated in relation to a Party who has materially or repeatedly breached its undertakings of the Agreement and then failed to take corrective action within thirty (30) days of a written notice by any of the other Parties. A Party who has been declared bankrupt, suspended its payments, initiated composition negotiations, entered into liquidation or re-organization, or who for other reasons can be presumed to be insolvent may also be terminated. A decision to terminate shall be made by the other Parties by a simple majority of votes.
- 18.5 If the underlying prerequisites for the Project materially change, the Parties may agree that the Agreement and the Project shall terminate. If so, a Research Party shall, subject to the Authority's approval, have a right to receive reasonable compensation out of Authority funds which may be available, for work completed as well as necessary close-down costs.

19 Notices

- 19.1 All written notices, confirmations, requests, inquiries and other messages that a Party wishes to send to another Party during the Project Term and in accordance with the Agreement shall be transmitted or sent to the other Party's representative in the Steering Group by courier, letter or e-mail to the address notified for such representative.
- 19.2 If a Party needs to submit a notice, in a similar manner, to another Party after the termination of the Project, the document shall be submitted by courier or sent by recorded delivery to the contact person or function specified by the other Party in a separate annex to the main document of the Agreement labelled "FFI Project Agreement" or, if such information is missing or there is reason to believe that it is out of date, to the other Party's official address and marked "att: [Rector] / [Chief Executive Officer], cc General Counsel".
- 19.3 The notice shall be deemed received by the addressee;
- a) on delivery, if delivered by courier;
 - b) three (3) banking days after the date of posting, if sent by ordinary letter or recorded delivery; and
 - c) on a read receipt, if sent by e-mail.

20 Effects of Expiry of the Agreement

- 20.1 The provisions of Clauses 5, 6.3 - 6.5, 6.7, 8-13, 16, 19, 21 and 23 shall, together with this Clause 20.1, continue to apply as long as they have practical significance, and notwithstanding expiry of the Agreement term. However, a Party who has been excluded from or withdrawn from the Agreement shall have no rights under said clauses.

21 Assignment etc.

- 21.1 Background Information and Project Results may be disposed of (e.g. by way of assignment) as according to separate provisions in these General Terms.
- 21.2 A Party may wholly or partly assign, pledge or otherwise encumber other rights or obligations under the Agreement subject to the prior written consent of the other Parties. Such requirement of consent does not apply, however, to a Corporate Party's assignment to a Group Company.
- 21.3 In case of a disposal as above, the Parties shall ensure through contractual safeguards that all rights and obligations under the Agreement against and for all relevant Parties are retained.

22 Amendments and Supplements

- 22.1 Amendments or supplements to this Agreement shall, in order to be valid, be made in writing and signed by all Parties.

23 Applicable Law and Dispute Resolution

- 23.1 This Agreement shall be governed by and construed in accordance with Swedish law, except for its choice of law provisions.
- 23.2 Any dispute arising in connection with the Agreement shall be finally settled through arbitration at the Arbitration Institute of the Stockholm Chamber of Commerce, in accordance with its Rules for Expedited Arbitration, or alternatively, if the Institute so decides, having regard to the difficulty of the case, the value of the dispute and other circumstances, its ordinary Arbitration Rules (in which case the Institute shall also determine the number of arbitrators). Arbitration proceedings shall take place in Stockholm, unless the Parties agree otherwise.
- 23.3 Notwithstanding the above, the Parties shall always have a right to turn to a court or other competent authority to seek payment of an undisputed claim for due payment.