

Co-operation Agreement:

Socware Transceiver Demonstrator Project

DRAFT CONTRACT

This agreement is signed between

(1) Acreo AB, a Swedish corporation with registration no. 556534-9007, having its registered office at Electrum 236, SE-164 40 Kista, Sweden, and having a Department for System Level Integration in Norrköping, Sweden. ("Acreo");

(2) Lund University

(3) Linköping University

(4) Royal Institute of Technology

(5) Company X

(6) Company Y

(#) Company Z

In this agreement (2)-(4) are referred to as the "University Partners" and (5)-(#) as the "Industrial Partners". Further, in this Agreement, the Industrial Partners, and the University Partners are referred to as the "Partners". Acreo and the Partners are collectively referred to as the "Parties".

Background and Project Objectives

The Socware cluster is the Swedish open initiative for System on Chip (SoC) design, a government supported program, started in the year of 2000 under supervision of the Invest in Sweden Agency (ISA). Additional Socware partners in the cluster are Linköping University, Lund University, the Royal Institute of Technology and several national and international companies within the areas of electronic design, semiconductor components and system design. The purpose of the Socware cluster is to strengthen the Swedish competence within the 'System-on-Chip' (SOC) area. The Socware program is divided in four subprograms; Research and Education, Business Development, Intellectual Property Rights and finally the Acreo Socware Center. An important role of the Socware Center, the hub of the Socware cluster, is to stimulate and support new companies to establish in the cluster.

One activity within the Socware cluster is research and education. Within this activity Acreo has been assigned to set up a co-operation project involving Acreo, the University Partners and the Industrial Partners. The aim with the project is to develop a highly integrated transceiver demonstrator for wide-band short-range wireless communications. The project is jointly defined by the Parties and is described in the Project Plan (Annex 1).

The abovementioned Project is the subject of this Agreement.

The objectives of the Project are to develop a highly integrated transceiver demonstrator for wide-band short-range wireless communications, to practically evaluate new and innovative solutions on architectural and circuit level, to transfer research results, in concerned areas, from the universities to industry and to provide opportunity for the companies and universities to establish contacts on a personal level.

Some or all of the Parties are engaged, independently of the Project, in their own research into some of the areas addressed by the Project and/or may commence such independent projects during the term of the Project.

2 Definitions

In this Agreement, the following words and expressions shall have the following respective meanings:

The “Project” means the project which is the subject of this Agreement. The Project is described in detail in the appended Project Plan (Annex 1).

“Related University Research Project” means the research projects, financed by the Socware program, where research in areas which are directly and intentionally applicable to the Project are conducted. A list of the Related University Research Projects is found in Annex 5.

“Background Information” means all information, technology, intellectual property rights or know-how that a Party possessed or controlled before this Agreement was made or which was acquired later by means other than pursuant to this Agreement and which are exchanged between the Parties.

“Common Results” mean results, including intellectual property rights, developed by the Project and delivered to each of the Parties pursuant to the Project, including results arising from work carried out in Related University Research Projects. Common Results do not include any work that any Partner may sub-contract to Acreo outside the scope of this Project, funded separately and identified as being independent of the Project.

“Individual Developments” means all development work carried out at any time individually by any Party (itself and/or with any other Party(/ies), and/or with a subcontractor or other unrelated party) based on Common Results, in order to develop further the Common Results for its own application or applications.

A “Demonstrator Interest Group” shall exist at the outset of the Project. All Parties shall be represented in the group. The work and responsibility of the Demonstrator Interest Group is further described in section 4 below.

Agreement to Perform the Project

3.1 The Parties hereby agree to enter into the Project in accordance with this Agreement and to perform the obligations undertaken by them in this Agreement.

3.2 Acreo shall take the main responsibility for the development and evaluation of a multi-standard, highly integrated transceiver in accordance with the Project Plan. The technical commitment and responsibilities of Acreo shall be as stated in the Project Plan. All technical commitments and responsibilities are on a best-effort basis. This

means that Acreo is responsible for ensuring that the Project, within the framework of Acreo's resources and skills, is implemented professionally and with care. However, Projects in the nature of research and development take place at the risk of the Partners and Acreo cannot be held financially responsible, or liable to bear further development expenses in those cases where designated objectives or specifications could not be achieved within the framework of the Project, provided this is not attributable to gross negligence on the part of Acreo.

Acreo undertakes to rectify, without separate charge, such defects and inadequacies as are attributable to gross negligence or manifest omission in the implementation of the Project, but does not assume any liability in damages for such defects or consequences of the use of incorrect Results.

(Senare delen av dessa stycken måste ensas med det som står i 12.6. Hur görs detta på bästa sätt?)

3.3 Acreo is responsible for the organization and management of the Project. Further, Acreo is responsible for the Project budget and any decisions relating to Project resources.

Acreo agrees to provide a fully functional office work environment at their location for all Ph.D. students working in the Related University Research Projects to be used during active work with the Project if required. Further, Acreo agrees to provide access to laboratory facilities at their location for measurement and characterisation of Common Results developed in the Related University Research Projects.

3.5 Each University Partner agrees to initiate at least two Related University Research Projects before 2002-01-01. There shall be at least one Ph.D. student fully dedicated to each Related University Research Project. The Related University Research Projects are described in Annex 5.

3.6 Each University Partner shall allocate at least 20% of the effective research time of each Ph.D. student in the Related University Research Projects to work within the Project according to the directions in the Project Plan.

3.7 Each University Partner shall appoint a person with the authority to make decisions in the Demonstrator Interest Group. The work and responsibility of the Demonstrator Interest Group is further described in section 4 below. The list of the authorized persons is found in Annex 7.

3.8 Each Industrial Partner shall give input relating to their requirements and possibly other matters relating to Acreo's activities within the Project.

3.9 Each Industrial Partner shall provide financing of the Project in accordance with section 11 of the Agreement.

3.10 Each Industrial Partner shall appoint a contact person to represent it in the day-to-day communication process regarding technical and other issues connected with the Project. The list of Industrial Partner contact persons at the time of signing of the Agreement is found in Annex 6. Further, each Industrial Partner shall appoint a person

with the authority to make decisions in the Demonstrator Interest Group. The responsibilities and authority of the Demonstrator Interest Group are defined in section 4. The list of the authorized persons is found in Annex 7.

3.11 Annex 3 contains details of the first milestones to be met, including the time plan. During the course of the Project additional milestones shall be defined by the Demonstrator Interest Group in agreement with Acreo. Acreo shall use its best endeavours to meet all such milestones.

4 Project Organization

An illustration of the project organization is found in Annex 4.

4.1 A Demonstrator Interest Group shall exist at the outset of the Project. All Parties shall be represented in the group. Acreo appoints the chairman of the group. The members of the group are identical to the group of authorized persons listed in Annex 7 with the addition of the representative from the Socware research and education committee. named

4.2 The Demonstrator Interest Group has no regular meeting schedule, but shall meet at least every third month. It can also be requested to meet by any authorized person (Annex 7) or by Acreo. The authorized person or Acreo requests a meeting by contacting the chairman who is responsible for distributing the call and agenda for the meeting.

4.3 The responsibilities of the Demonstrator Interest Group are to:

- (a) Advise on Project milestones during the course of the Project.
- (b) Resolve disagreements and collaboration problems within the Project.
- (c) Advice Make decisions on acceptance of new Industrial Partners to the Project.
- (d) Advice Make decisions on publication of Common Results.

Regarding points (a) and (db), the Demonstrator Interest Group only has an advisory role. The Parties however agree to consider the opinions of the Demonstrator Interest Group carefully. Regarding points (c) and (d), the Demonstrator Interest Group has the authority to make decisions for the Project.

4.4 Project decisions in the Demonstrator Interest Group must be unanimous.

4.5 The Project manager is appointed by Acreo. The Project manager shall be responsible for the day-to-day management of the Project. The Project manager at the time of signing of the Agreement is

is identified in Annex 8.

4.6 The identity of the Project team members employed by Acreo shall be notified to the Partners. Any change in the Project team shall immediately be notified to the Partners. The list of team members at the time of signing of the Agreement is found in Annex 8.

4.7 The identity of the Ph.D. students working in the Related University Research Projects and their respective areas of research shall be notified to the Parties. Any change of Ph.D. students or research area shall immediately be notified to the Parties. The University Partners agree not to change Ph.D. students or research areas unless such a change is unavoidable. The list of Ph.D. students and research areas at the time of signing of the contract are found in Annex 5.

5 Acceptance of New Industrial Partners

New Industrial Partners may, after acceptance according to clause 4.34, enter the project. New partners shall pay the initial contract sum for the total contract period plus a surcharge calculated as follows:

Contract sum for new partners = initial contract sum X (1 + number of calendar days after project start that they join) / 365).

The surcharge is the price a new partner has to pay for the reduced risk of a later entrance.

6 Reporting

6.1 The activity performed within the Project shall be guided and evaluated by the Parties. The Project manager shall be required to report in writing to the Parties in the second week of every month on progress and the technical status of the Project for the previous month.

6.2 Acreo shall organize Project meetings at least every third month, or otherwise agreed, at times convenient to all Parties. The Project manager shall be required to attend and report to such meetings. The participants at those meeting shall be Acreo's project team members, Ph.D. students working in the Related University Research Projects and their supervisors, the contact persons of respective Industrial Partners and other persons from the Industrial Partners approved by respective contact person. The purposes of such meetings shall be:

to receive a personal report from the Project manager on the status of the Project, for the Parties to have the opportunity to ask questions concerning the Project directly to the Project manager and to discuss the progress made, to discuss and decide on technical issues within the project, and to provide an opportunity for the Parties to present technical material relevant to the Project.

6.3 Each Partner shall have the right for its representatives to visit Acreo's site at reasonable intervals to inspect the progress of the work. Such visits shall be agreed in advance and take place during normal working hours unless otherwise agreed.

7 Information Exchange, Confidentiality and Non-Use Obligations

7.1 The results arising from the work of the Parties under the Project defined in Annex 1 shall be considered to be Common Results. Each Party agrees that Acreo shall be entitled (as well as obliged) to present all Common Results under the Project to all Parties.

7.2 The results arising from the work carried out in the Related University Research Projects shall be considered to be Common Results. Each University Partner agrees to promptly share all such results with the Project under the work forms outlined in the Project Plan in Annex 1.

7.3 For the purposes of the Project, the Parties may need to disclose confidential information to each other. Such disclosure may be directly by one Party to another Party, or may be indirect, being the authorized disclosure by Acreo of confidential information of a Party to one or more other Parties.

7.4 Written information disclosed by a Party and marked as "confidential" or, if disclosed orally, identified at the time of disclosure as confidential and then confirmed in writing within thirty days of oral disclosure, shall be treated as confidential proprietary information of that Party. This information shall not be disclosed to third Parties or used for any purpose other than to forward the Project in accordance with this Agreement. Acreo may disclose such information to its own employees or subcontractors to the extent necessary to ensure the progress of the Project but only where such employees or subcontractors have agreed to maintain such information confidential.

7.5 Confidential information of any one Party may be disclosed to other Parties to the extent that such disclosure is necessary for the progress of the Project. Each Party hereby undertakes to maintain confidential, and not to use for any other purpose than this agreement or disclose to any third party, any confidential information of another Party which it learns as a result of the Project.

7.6 The above obligations of confidentiality and non-use shall remain in force for the duration of this Agreement and for a period of not less than three (five) years from the termination or expiry of this Agreement. Such obligations shall not apply in respect of information which is demonstrated to have been already in the possession of the receiving party prior to receipt under this Agreement, or to have come into the public domain otherwise than via a breach of this Agreement.

Common Results shall be treated as confidential information, and therefore be subject to the above provisions, by all Parties, including information relating to results which are the subject of a patent application and results in respect of which Acreo has decided not to apply for patents. Each Party hereby undertakes to maintain confidential, and not to

use for any other purpose than what is stipulated in this agreement or disclose to any third party, any confidential information. Each Party shall only disclose or distribute confidential information within its own organization as is reasonably necessary to carry out the intent of this agreement. Any and each Party's respective officers, employees, Ph.D. students, agents or representatives to whom any confidential information is disclosed or distributed shall have acknowledged the confidentiality of the confidential information in writing and shall have agreed to maintain its confidentiality. The University Partners shall cause its employees and Ph.D. students, that are to be involved in the work under this agreement, to enter into secrecy agreements regarding Common Results with Acreo. These agreements are attached as Annex 9..

The obligations under clause 7.7 shall not limit Acreo's rights under clause 8.1 to assign or license its rights. In case Acreo assigns or licenses its rights, Acreo must ensure that the assignee or licensee complies with the confidentiality obligations under this agreement.

8 Patents and Ownership and Rights-of-Use of Results.

8.1 The Common Results of the Project, including Patents and the right to apply for patents, copyright (including copyright to computer programs), in topographies for semiconductor products, as well as any other intellectual property rights, shall be the sole property of Acreo. Acreo's rights under this clause, shall include a right to assign and license the rights.

8.2 The decision as to whether to apply for any patents on the Common Results of the Project shall in each case be taken by Acreo. The costs for priority patenting shall be borne by Acreo.

The University Partners shall cause its employees and Ph.D. students, that are to be involved in the work under this agreement, to enter into agreements with Acreo regarding Acreo's sole ownership of Common Results according to clause 8.1 above. These agreements are attached as Annex 9.

8.4 Each of the University Partners and Industrial Partners shall have the right to non-exclusive royalty-free use of Common Results. This right does not include the right to further license the use of Common Results to any third party.

8.5 Each Party shall be the owner of, and have the right to exploit, its own Individual Developments (including the right to apply for patents), and shall not be obliged to license such technology to any other party.

9 Publications

9.1 The Parties agree that it can be beneficial for the Project that generic results originating from the Project be published. Any decision regarding possible publication shall be for the Parties, and no publication of Common Results will be made without the

unanimous approval from the Parties. Decisions regarding publications of Common Results shall be made in the Demonstrator Interest Group.

As an exception, the University Partners have the right to publish Common Results originating from the Related University Research Projects without the formal approval of the other Parties. However, if so requested by Acreo, Acreo shall be given the opportunity to review any material to be published and delay the publication in order to apply for patent(s). Such delay shall be allowed for a reasonable time, but no longer than four (4) months.

9.2 Information constituting Background Information or an Individual Development of a Party shall be confidential information of that Party and subject to the confidentiality and non-use provisions (non-use?) of this Agreement. Therefore the provisions of the preceding clause shall not apply to such information, which may not be published without the expressed prior written consent of the owner of that information.

10 Financing of the Project

10.1 The target total Project budget is SEK 17,000,000 with SEK 5,000,000 for the first, SEK 6,000,000 for the second and SEK 6,000,000 for the third year. The budget is attached as Annex 2.

10.2 Acreo will during the project duration contribute as a maximum SEK 7,000,000 for research related activities, provided at least five industrial parties are entering the project. Furthermore, Acreo will contribute financing amounting to 43% of the consideration of Swedish Industrial Partners, provided that Acreo receives financing from Vinnova. The budget is attached as Annex 2.

Each Swedish Industrial Partner agrees to finance the project with a minimum of SEK 1,000,000 equally distributed over the project duration. The contract sum for non-Swedish Industrial Partners is SEK 1,430,000, since Vinnova does not co-finance their part.

10.4 Payments are made yearly in advance against invoice by one third each year, 30 days net. In the event of late payments, each Partner agrees to pay interest at the rate of 1.5% per month from the due date for payment until payment in full has been made.

10.5 The Related University Research Projects are financed separately through the Socware program. No financing is provided in the Project for work carried out by Ph.D. students or university employees working in the Related University Research Projects. Further no financing is provided for other costs, e.g. travels and lodging, that the Ph.D. students or other university employees have in connection with Project work except for costs related to clause 3.4 and unless otherwise agreed with Acreo.

11 Term, Termination and Liability

11.1 This agreement shall enter into force when duly signed by all the Parties and shall remain in force for three years from effective date provided at least five industrial parties are entering the project. A termination of this agreement shall not affect the confidentiality and/or non-use obligations under the agreement.

11.2 This agreement may be terminated in respect of any Party by written notice from the other Party(ies) to take effect immediately upon receipt thereof, if a party becomes insolvent or enters into negotiations or a composition with its creditors or a petition in bankruptcy should be filed by it or it should make an assignment for the benefits of its creditors.

Any party may by written notice terminate its participation in this Agreement and the Project with immediate effect if any other party has committed a substantial breach of agreement, and not rectified the same within a mutually agreed time which shall be deemed reasonable taking into account previous technical and other relevant conditions after receipt of a written request specifying the breach from the other party. In the absence of an agreement on the period allowed for rectification, such period shall be sixty (60) days from notification.

Acreo may terminate this agreement if it does not receive continued financing from Vinnova.

Termination is to be made at least two months before following year.

12.7 Nothing shall prevent a party from seeking damages or other judicial relief from any Party or Parties in the event that it has suffered damage through a material breach of this agreement by such Party or Parties.

The liability of an Industrial Partner to a Party, arising by reason of, or in connection, with this agreement, shall not exceed an amount corresponding to the Industrial Partner's financial contribution to the Project.

The liability of a University Partner to a Party, arising by reason of or in connection with this agreement, shall not exceed SEK 1,000,000.

The liability of Acreo to an Industrial Partner, arising by reason of or in connection with this agreement, shall not exceed an amount corresponding to the Industrial Party's financial contribution to the Project. The liability of Acreo to a University Partner, arising by reason of or in connection with this agreement, shall not exceed SEK 1,000,000.

All technical commitments and responsibilities are on a best-effort basis. This means that Acreo is responsible for ensuring that the Project, within the framework of Acreo's recourses and skills, is implemented professionally and with care. However, Projects in the nature of research and development take place at the risk of the Partners and Acreo cannot be held financial responsible, or liable to bear further development expenses in those cases where designated objectives or specifications could not be achieved within the framework of the Project, provided this is not attributable to gross negligence on the part of Acreo.

Acree undertakes to rectify, without separate charge, such defects and inadequacies as are attributable to gross negligence or manifest omission in the implementation of the Project, but does not assume any liability in damages for such defects or consequences of the use of incorrect Results.

12.9 The coming into force of this agreement is subject to the formal and written approval of the Project Parties as constituted before the update of new partners listed in this agreement (står inte detta redan i 12.1?).

12 Entire Agreement

This instrument constitutes the entire agreement between the Parties and supersedes all previous negotiations, representations, undertakings, and agreements heretofore made between the Parties with respect to the subject matter hereof.

13 Further Agreements

One or more Partners and Acree may negotiate in good faith the terms and conditions of a specific and separate agreement and enter such an agreement. Such agreement may not prevent Acree from co-operating with any of the other Partner. in their respective main application areas as listed in Annex ?? to this Agreement.

14 Applicable Law

This agreement shall be governed by, and construed within and according to, the substantive law of Sweden.

15 Arbitration

Any dispute, controversy or claim arising out of or in connection with this agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. The place of arbitration shall be Stockholm and the language to be used in the arbitral proceedings shall be Swedish.

All awards may if necessary be enforced by any court having jurisdiction in the same manner as a judgement in such court.

Norrköping 2001 □ □ □ □ □ □ □ □ □ □ Hans
Hentzell (Managing Director) □ NN1 □ □ □ □ □ □ □ □ □ □ Patrik Eriksson (Research
Manager) □ NN2 □ □

Annexes

- Annex 1 Project Plan
- Annex 2 Project Budget
- Annex 3 Project time plan and milestones
- Annex 4 Project organization
- Annex 5 List of Related University Research Projects and Ph.D. students
- Annex 6 Industrial Partners contact persons.
- Annex 7 List of persons authorized to make decisions in the Demonstrator Interest group.
- Annex 8 List of Acreo team members.

Annex 1

Project Plan

Annex 2

Project Budget

Annex 3

Project time plan and milestones

Annex 4

Project organization

Annex 5

List of Related University Research Projects and Ph.D. students

Annex 6

Industrial Partners contact persons

Annex 7

List of persons authorized to make decisions in the Demonstrator Interest Group

Annex 8

List of Acreo team members

Annex 9

Secrecy agreement and ownership of Common Results

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