

Financing Agreement
(hereinafter "Agreement")

1 Parties

Sitra, the Finnish Innovation Fund (hereinafter referred to as "Sitra")
Itämerenkatu 11–13 (PL 160), 00181 Helsinki, Finland
Business ID: 0202132-3

[name] (hereinafter referred to as "the Partner")
[address]
Business ID:

Sitra and the Partner shall hereinafter also be referred to as a "Party" and together as "Parties".

2 Background and Purpose of the Project

Project's working title is ["XXX"] and the project aims to [description] (hereinafter referred to as "the Project").

The funding granted under this Agreement relates to financing decision number [XXXX] and may be used solely to the costs mentioned in the project plan and incurred during the implementation of the Project, and which are defined in Sitra's Funding Project's Monitoring and Cost Annex, attached as appendix 1A. The Project's budget estimation shall be specified in appendix 1B.

The aims, objectives and the manner of execution of the Project are specified in the project plan (hereinafter referred to as "the Project Plan"), attached as appendix 2.

For the avoidance of doubt, Sitra acts as the financier of the Project and does not purchase any services from Partner under this Agreement.

The Partner represents and warrants that the information given in the Project Plan and the budget estimation is accurate and gives a true and fair view of the Project and its implementation.

The Partner shall be responsible for implementing the Project in accordance with this Agreement.

3 Period of the Project

The Period of the Project is [X.X.202X – X.X.202X.]

4 Project Responsible

The Person responsible for the implementation of the Project shall be [N.N.] employed by the Partner ("Project Responsible").

5 Management and Supervision of the Project

The Project shall be managed and supervised by [leading] specialist [N.N.] from Sitra.

If needed, the Parties shall nominate a steering group (hereinafter "Steering Group") which shall oversee and supervise planning and implementation of the Project.

The Steering Group shall consist of representatives from Sitra and the Partner [names].

The Steering Group shall meet when necessary but at least [X times] during the project period. The Partner and the Project Responsible shall consider the comments the Steering Group and Sitra make regarding the Project. Sitra and the Partner may specify the Project Plan during the period of the Project by a unanimous decision after having heard the Steering Group.

6 Financing and Payments

Sitra shall finance the Project in accordance with the budget estimation included in the Project Plan at maximum the total amount of EUR [X].

In accordance with applicable law, VAT shall not be collected and paid for financing services.

The Partner represents and warrants that the declaration of the amounts of existing de minimis financing granted to the Partner prior to the signing of this agreement, as attached to this agreement as appendix 3, is true and correct in all respects and that the Partner therefore is eligible to receive the financing granted to it under this agreement.

The financing (maximum amount EUR) under the Agreement is granted as de minimis aid in accordance with Commission regulation (EU) No 1407/2013 of 18 December 2013, on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, published in the Official Journal of the European Union 24 December 2013 (hereinafter called the "Regulation").

De minimis aid as set forth in this Agreement is granted on the date of the financing decision of Sitra on [date of the decision].

The total amount of de minimis aid granted per Member State to a single undertaking shall not exceed EUR 200 000 over any period of three fiscal years. De minimis aid shall be deemed granted at the moment the legal right to receive the aid is conferred on the undertaking under the applicable national legislation irrespective of the date of payment of the de minimis aid to the undertaking. The period of three fiscal years shall be determined by reference to the fiscal years used by the undertaking in the Member State concerned.

The Partner hereby represents and warrants that the de minimis aid granted by Sitra under this Agreement does not exceed the Partner's 200 000 EUR de minimis maximum in the period of last three fiscal years.

Parties agree, and the Partner understands and represents and warrants that the above-mentioned de minimis notification by Sitra is Sitra's declaration and announcement as required by the Regulation to the Partner about the amount and character of the financing as de minimis aid in accordance with the Regulation. Sitra will not give any separate de minimis aid declaration and announcement to the Partner. The Partner shall observe and take into account the financing granted

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under this Agreement when receiving other de minimis aid under the Regulation. Should the actual amount of the financing be lesser than the maximum amount, this notification relates to the actual amount.

Should the EU's supervisory authority consider the financing granted under this agreement to include such state aid that the EU state aid regulation deems forbidden, Sitra has the right to demand the financing to be paid back to Sitra with penalty interest.

The Partner shall record the Project costs separately in the Partners accounting and maintain and keep a separate record, so that the amount and basis of the costs can be verified later, if necessary. In addition, the Partner shall report to Sitra regarding the Project and the actual costs incurred in it in accordance with appendix 1 A, using appendix 1 B.

The Partner shall provide Sitra with all information regarding the use of the funding granted under this Agreement as requested by Sitra. Sitra has the right to audit the use of the funding using a third-party auditor, to the extent Sitra deems it necessary.

Sitra shall finance the Project in [xx] separate instalments against the Partner's invoices, which have been approved by Sitra, as follows:

1. instalment EUR [X] [date], provided that:
 - this Agreement has been signed by both Parties,
 - the Supervising Body has been appointed,
 - [other Project related payment terms]

2. instalment EUR [X] [date], provided that:
 - The Project has been fully completed in accordance with the Project Plan and the terms of this Agreement, the costs incurred in the Project have been reported to Sitra in accordance with appendix 1A and using appendix 1B, and Sitra has accepted the report,
 - The Final Administrative Report, detailed in section 7.1, has been delivered to Sitra and Sitra has accepted it,
 - The Final Report detailed in Section 7.1 has been delivered to Sitra and Sitra has accepted it,
 - [other Project related payment terms]

Sitra's funding equals [X] % of the Project budget estimation.

Partner's own contribution for the Project equals [X] % of the Project's budget estimation.

In the event that the actual Project costs are less than estimated as per the budget, Sitra's funding shall be adjusted accordingly.

The Partner commits to refund Sitra's funding if the Project does not materialize. Should the Project be implemented on a smaller scale than planned, the sum returned to Sitra should be in proportion to the level of implementation of the Project.

7 Deliverables and Intellectual Property Rights

7.1 Deliverables

Deliverables (hereinafter "the Deliverables") include all new materials and outputs created in connection with the Project, including but not limited to, any and all inventions, software programmes, methods, source codes, solutions, devices and other tangible assets and materials regardless of whether they may be protected under any immaterial property law or under a non-disclosure agreement, surveys, reports, information, conclusions, observations, experience, best practises and other written material as well as pictures and photographs.

The Deliverables also include a final report composed by the Partner which shall detail the execution of the Project, the deliverables and the future prospects and further development possibilities of the Project (hereinafter the "Final Report"). The Final Report shall not contain any trade secrets.

The Deliverables do not include such materials and intellectual property rights acquired by a Party in connection with this Project, which are used under a third-party licence, or which are otherwise subject to the limitations of a third-party.

Immaterial property rights means all new immaterial property rights created in connection with the Project, including but not limited to, any and all patents, utility models, trademarks, copyright, right to integrated circuit design, copyright of design and knowledge protected by non-disclosure agreement and applications related to immaterial property rights.

Background Material (hereinafter "the Background material") includes all materials and outputs created before the Project or outside the scope of this Project; regardless of the creator; including but not limited to, any surveys, reports, information, conclusions, observations, experience, best practises and other written material as well as pictures and photographs and regardless of whether they are protected or able to be protected with intellectual property rights, e.g. copyright, patent or confidentiality. The Background material is not part of the Deliverables.

If a Party or a third-party discloses Background material to the other Party for the execution of this Project, the intellectual property rights and other rights to such Background material shall remain the exclusive property of the disclosing Party. The disclosed Background material shall solely be used for the purpose of executing this Project.

The Final Administrative Report of the Project (hereinafter "the Final Administrative Report") means a short and compact report detailing the content and implementation of the Project, the results, the Partner's assessment of the impact of the Project as well as the Partner's essential insights and gathered experience concerning the Projects. The Final Administrative Report shall be composed by the Partner in accordance with further instructions provided by Sitra.

For the sake of clarity, it is noted that the Final Administrative Report must not include any trade secrets of the organizations participating in the Project.

The Final Administrative Report is not part of the Deliverables.

7.2 Intellectual Property Rights of the Deliverables and the Final Administrative Report

Title to the Deliverables shall be vested to the Partner, unless otherwise agreed in this Agreement or with other parties / subcontractors.

Sitra's right to use the Deliverables

The Partner shall provide Sitra with a free, non-exclusive, non-restricted right of use of the Final Report included in the Deliverables free of charge, for the purpose of Sitra sharing information and experience gathered during the Project, if needed.

For the avoidance of doubt, the assignment of the right of use to the Final Report shall bestow upon Sitra the right to use, distribute, publish and alter the Final Report.

Sitra shall also have the right to assign its right of use to the Final Report in full or in part or to assign a corresponding concurrent right to third parties under terms that it deems best.

The Partner is responsible for ensuring that the Project Responsible and other people participating in the work assign all rights to the Final Report to the Partner. The Partner is also responsible for ensuring that the Final Report delivered by it does not infringe any third party's rights when used in accordance with the Agreement.

If claims based on copyright or other intellectual property rights are brought against Sitra in relation to the Final Report, the Partner is obligated to respond to the claims at its own expense. The Partner is liable to ensure that such claims or obligations do not cause Sitra to incur any legal costs or damages or other costs or liabilities payable to third parties in the event Sitra has used said rights in accordance with this Agreement.

Rights pertaining to the Final Administrative Report

The Partner hereby grants and transfers the Final Administrative Report and the copyright thereto to Sitra. The transfer of the copyright shall bestow upon Sitra the economic rights, as referred to in the Copyright Act (*tekijänoikeuslaki 404/1061*) to control the Final Administrative Report.

For the avoidance of doubt, it is noted that the transfer of the rights pertaining to the Final Administrative Report grants Sitra the copyright as well as other rights referred to in the Copyright Act such as the right to alter and transfer the Final

Administrative Report. In addition, the transfer of the copyright shall bestow upon Sitra the right to use, copy, share and publish the Final Administrative Report in both written and digital form in Finland or as a translation outside of Finland, and a right to forward the rights to a third party. Therefore, Sitra has the right to forward information contained in the Final Administrative Report to third parties or grant licences thereto under terms that it deems best.

The Partner is responsible for ensuring that the Project Responsible and other people participating in the work assign all rights to the Final Report to the Partner. The Partner is also responsible for ensuring that the Final Report delivered by it does not infringe any third party's rights when used in accordance with the Agreement.

If claims based on copyright or other intellectual property rights are brought against Sitra in relation to the Final Report, the Partner is obligated to respond to the claims at its own expense. The Partner is liable to ensure that such claims or obligations do not cause Sitra to incur any legal costs or damages or other costs or liabilities payable to third parties in the event Sitra has used said rights in accordance with this Agreement.

For the avoidance of doubt, the payments under Section 6 of this Agreement shall be deemed to include compensation for the rights granted to Sitra under this Agreement. The payments shall be the sole compensation payable by Sitra to the Partner in connection with this Agreement. Sitra shall in no event be liable to pay, reimburse or compensate the Partner for any other costs, expenses or payments for its performance under this Agreement.

The Partner is responsible for covering all costs related to any payments made to any possible third parties participating in any way in carrying out the Project.

8 Duties and Responsibilities of the Partner

The Partner is responsible for diligent and professional implementation and overall management of the Project in accordance with this agreement and all appendices. The main phases of the Project are detailed in the Project Plan.

The Partner is responsible for reporting the costs and expenses according to the appendices 1A and 1B.

The Partner represents and warrants that the funding provided by Sitra is solely used for the purpose of achieving the Project's goals and for the costs described in the Project Plan.

Public Procurement

Sitra is a contracting authority as described in the Finnish Act on Public Contracts and Concessions (*Laki julkisista hankinnoista ja käyttöoikeussopimuksista 1937/2016*) (hereinafter "Act"). The Partner represents and warrants, notwithstanding Section 18. Governing Law and Dispute Settlement, that all its procurements carried out with the financing hereto from any third parties and all financial disbursements paid thereto shall be conducted in accordance with the appropriate and applicable EU- and national public procurement rules and legislation

as well as in accordance with its internal and international trade obligations pertaining to the Partner.

Economic Activities

Except for procurements executed in accordance with the Act [or in accordance with national procurement regulations as agreed above in this Section 8 under "Public Procurements"] with funding granted by Sitra under this Agreement, if part of the funding is channelled to undertakings, the Partner is responsible for ensuring the channelling of funds is market-based, as per the EU state aid rules.

Accessibility

The Act on the Provision of Digital Services (*laki digitaalisten palvelujen tarjoamisesta 306/2019*) imposes obligations on Sitra. The Partner commits to ensure that the Final Report referred to in Section 7, meets the requirements of the guidelines of accessibility attached as appendix 4.

Compensation for Damages

The Partner shall be independently liable for any damages it causes to Sitra, other participants of the Project or to third parties. However, the Partner shall not be liable for any indirect or consequential damage caused to Sitra in connection with this Agreement. Limitations of liability will not be applied if a Party has caused damage wilfully or through gross negligence, violated the terms of Section 7 concerning the IP-rights, violated the terms of Section 10 concerning the processing of personal data, or violated the confidentiality obligations of Section 16.

9 Project Communications and Right to Use as a Reference

Project communications shall be agreed between the Parties separately in writing, e.g. by email or by making a separate written plan on Project communications. With respect to Project communications, the Partner has the right to mention Sitra as the financier of the Project. However, the Partner does not have the right to use Sitra's logo. More specific details concerning Sitra's visibility in Project communications can be detailed in the communications plan, if deemed necessary.

As the financier of the Project, Sitra is entitled to visibility in all Project communications and publicity in the media and the public arena.

After the completion of the Project, the Partner may not use Sitra's name or logo as a reference in the Partner's own operations, general marketing materials or otherwise without a separate prior written consent of Sitra.

For the sake of clarity, it is noted that even though the Deliverables are produced in English, the communication of the Project shall be executed in Finnish and Swedish to the extent required by the Language Act (*kielilaki, 423/2003*).

10 Processing of Personal Data

To the extent the Parties process personal data when fulfilling their obligations under this Agreement, they shall comply with all effective and applicable data processing and privacy protection laws. Both Parties shall be independent controllers

of data (who determine the purposes and means of the processing of personal data) as defined in applicable law. The Party shall also be responsible for ensuring that the processing of personal data shall be carried out in accordance with the laws and professional data protection practice applicable to it.

In addition, the Parties commit to take appropriate technical and organisational measures to ensure safe processing of personal data. The Parties commit to ensure their processing of personal data and data security meet the requirements of data protection regulation that might enter into force after this Agreement has entered into force.

11 Delays

If the Partner determines that a delay will occur or is likely to occur, it shall, without delay, notify Sitra in writing of the delay. In such cases, Sitra can unilaterally alter the payment schedule agreed in Section 6 or the period of the Project agreed in Section 3 to correspond to the actual progression of the Project or can withhold payment of the instalments referred to in Section 6 entirely if the delay is significant.

Sitra also has the above-mentioned right if the implementation of the Project at any time significantly deviates from what has been agreed in the Project Plan and this Agreement. In the event the Project is delayed, or the implementation deviates from what has been agreed, Sitra and Partner can, if necessary, enter into a new Agreement on how to continue the Project and realise the financing thereof.

12 Assignment of the Agreement

The Partner may not wholly or partly assign its rights and obligations under this Agreement to any third party except with the prior written consent of Sitra.

The Partner may not change the Project Responsible, the project manager named in the Project Plan or any other key personnel in the Project except with the prior written consent of Sitra.

13 Amendments to the Agreement

A Party may not deviate from the Project Plan in a manner that would endanger the implementation of the Project, schedule or the purpose of the Project, except with the prior written consent of the other Party. If such factors occur during the implementation of the Project, that require amending or modifying the Agreement or its appendices, a Party must inform the other Party without delay.

All amendments and/or additions to the Agreement must be agreed in writing to be valid.

14 Termination of the Agreement

Sitra has the right to terminate the Agreement in the event of such a change in the circumstances or any preconditions of this Agreement that would endanger the

implementation or the purpose of the Project or if the Partner has in any other way breached the Agreement and has failed to remedy such a breach within 15 days of the receipt of Sitra's written notification.

In the event of such a termination by Sitra, the Agreement shall terminate within one (1) month of the receipt of Sitra's written termination notification by the Partner.

In addition, Sitra has the right to terminate the Agreement with immediate effect if, the Partner has breached the Agreement intentionally or through gross negligence; or:

- commits a material breach of its obligations detailed in this Agreement and the Project Plan, or
- the Partner has in any other manner acted against the purpose of the Agreement, against good faith or against good business or administrative practice.

The Partner has the right to terminate this Agreement with immediate effect if Sitra neglects to make the Payments in accordance with this Agreement in the event where the Partner has fulfilled all its obligations and duties in accordance with this Agreement, or if Sitra commits a material breach of its other obligations under this Agreement.

The termination with immediate effect enters into force by the receipt of the termination notification.

The termination must be done with a written notice thereof.

15 Consequences of the Termination

The Partner shall not be entitled to any compensation or damages in the event the Agreement is terminated in accordance with Section 1e, except for direct damages relating to the termination when the Partner uses its right to terminate the Agreement with immediate effect.

If the Agreement is terminated in accordance with Section 14, Sitra shall pay for the part of the Project implemented by the Partner up to the date of termination in relative portion to the amount of Sitra's funding detailed in Section 6, provided that all the materials and reports and Partner's report concerning the current status of the Project are handed over to Sitra.

16 Confidentiality

For purposes of this Agreement, "Confidential Information" shall mean any information or documents disclosed by a Party ("Disclosing Party") to the other Party ("Receiving Party"), either directly or indirectly, in writing, orally or by inspection of tangible objects, which contain trade secrets, other comparable information of business activities or other information, ideas or concepts, which are being created as a result of the Project proprietary to the Disclosing Party or any third party that has furnished it to the Disclosing Party.

The Receiving Party having received Confidential Information shall keep such information confidential.

However, Sitra has the right to disclose information concerning this Agreement, the Partner, the amount of the funding and the Project in accordance with the Act on the Openness of Government Activities (*laki viranomaisten toiminnan julkisuudesta, 621/1999*), excluding information considered confidential under said act, if information is requested from Sitra under the Act.

Notwithstanding the confidentiality provisions of this Agreement, Sitra may disclose any information associated with the financing of the Project, to the supervisory authorities.

17 Governing Law and Dispute settlement

This Agreement, and any dispute, claim or controversy arising out of or relating to this Agreement, or the breach, termination or validity thereof, are governed by and construed in accordance with the laws of Finland excluding its choice of law provisions.

Any disputes arising out of or in connection with this Agreement, shall be settled amicably through negotiations. All disputes arising out of or in connection with this Agreement which cannot be settled through amicable negotiations between the respective Parties shall be settled by the District Court of Helsinki.

18 Term of the Agreement

This Agreement shall enter into force and become binding on the signing date after the Agreement has been signed by both Parties.

The appendices attached to the Agreement supplement and are an integral part of the Agreement. In the event of a discrepancy between the appendices and the Agreement, the terms and conditions of the Agreement shall prevail followed by the appendices in numerical order.

The Agreement shall be binding until the Parties have fulfilled all their obligations under this Agreement. The Sections 7, 8, 9, 10, 16 and 17 of this Agreement shall survive the expiration or termination of this Agreement.

19 Signatures

This Agreement can be executed in one (1) or more identical copies. Delivering the signature page by email or signing the Agreement with an electronic signature service is considered equal to signing the original copy.

The Parties have signed this Agreement on the date marked on the signature page or on the date marked in the electronic signature service as the signature date.

In [place], [date]

In [place], [date]

[Partner]

Sitra, the Finnish Innovation Fund

Agreement no. [Sitra - Puhti]

[Name, title]

email:

Tel.no.:

[Name, title]

APPENDICES:

Appendix 1: Funding Project's Monitoring and Cost Annex (appendix 1A) and Cost Statement Report (appendix 1B)

Appendix 2: Project Plan [date]

Appendix 3: declaration of the amounts of existing de minimis financing granted to the Partner

Appendix 4: guidelines of accessibility for Sitra's co-operation partner