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CELTIC-PLUS FRAME AGREEMENT

Final version as approved by Celtic Core Group

Approval date: 1 December 2011

Celtic-Plus Frame Agreement (final version) as approved by Celtic Core Group

Between
1. Alcatel-Lucent Bell Labs France
- represented by Jean-Luc Beylat

2. ATOS Spain, S.A.
- represented by Javier Ávila Jiménez

3. British Telecommunications Plc., UK
- hereinafter referred to as - "BT", represented by Paul Jenkins

4. Deutsche Telekom AG Laboratories
- contact person: Dr Arnold Heinrich

5. Ericsson AB, Sweden
- represented by Olle Viktorsson

6. Eurescom GmbH, GERMANY
- hereinafter referred to as - "Eurescom", herein represented by David Kennedy

7. France Telecom, FRANCE
- represented by Mari-Noelle Jégo-Laveissière

8. Gemalto, France
- represented by Xavier Chanay

9. INDRA, Spain
- represented by Jesús Angel Garcia Sanchez

10. ITALTEL, ITALY
- represented by Mario Fioruzzi and Franco Serio

11. Nokia Siemens Networks OY, Finland
- herein represented by Tomi Lehtonen

12. RAD Data Communications, ISRAEL
- hereinafter referred to as - "RAD", herein represented by Yuri Gittik

13. Siemens, AG Österreich, acting through Communications, Media, and Technology, AUSTRIA
- represented by Daniel-Rui Felicio and Thomas Weigelhofer

14. TECHNICOLOR R&D FRANCE SNC
- represented by Gary Donnan

15. Telefónica I+D, SPAIN

- hereinafter referred to as "Telefónica", herein represented by Jariego Fente Francisco

16. Telenor ASA, Group Industrial Development, NORWAY
- herein represented by Dr. Nils Flaarønning

17. Thales Communications and Security SA , France
- herein represented by Martine Lapierre VP, Research & Technology

18. Turkcell Technology R&D Company, Turkey
- herein represented by Semih INCEDAYI (General Manager).

all hereinafter referred to as "Original Celtic-Plus Parties "

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PREAMBLE

Whereas as a follow-up of the successful CELTIC cluster, running from 2003 to 2010, Celtic-Plus is considered essential for securing and enhancing the market position of the European telecommunications industry, by continuing the successful work initiated by CELTIC almost eight years ago. This lead to the conclusion, to perform another eight years research and development programme on a telecommunications work programme as described in the Celtic-Plus Purple Book, approved on 12 April 2010, hereinafter referred to as "Purple Book".

Whereas the Original Celtic-Plus Parties, representing important European telecommunications industry and telecom operators, have received the EUREKA Label concerning the Celtic-Plus implementation, endorsed by EUREKA under Σ! 5828.

Whereas Celtic-Plus has found a broad interest within European telecommunications industrial companies, telecommunications operators, universities and research institutes in its aim to push toward improving the European telecommunications R&D and to accelerate Europe's transformation into an Information Society.

Whereas Celtic-Plus participation shall be open for partners, which are able and willing to comply with the rules of Celtic-Plus and contribute significantly to the Celtic-Plus Programme by investing their skill and knowledge, capacity and the necessary costs into research and development projects to be performed in co-operation with other partners.

Whereas the national governments of Austria, Belgium, Finland, France, Germany, Hungary, Ireland, Israel, Norway, Poland, Portugal, Spain, Sweden, and Turkey have held out a prospect of subsidising the research and development work within Celtic-Plus. In addition also the national governments of The Netherlands and Switzerland have indicated their interest in supporting the Celtic-Plus Programme.

Whereas the Original Celtic-Plus Parties have decided to continue with a minimum of cost and labour a flexible and effective organisation to ensure that Celtic-Plus can be executed within the envisaged goals by interested co-operating partners in Europe.
Now, therefore, the Original Celtic-Plus Parties have agreed as follows:

I DEFINITIONS

For the purpose of this Celtic-Plus Frame Agreement shall mean:

I.1 Celtic-Plus Frame Agreement (hereinafter "CFA") means the present agreement.

I.2 Celtic-Plus Programme (hereinafter "the Programme")
Within the scope of Purple Book the Programme will concentrate on comprehensive system and services solution approach, which is a unique requirement of the

telecommunications sector. The role and the added value of the Programme can be identified in the development of pre-competitive comprehensive Integrated Communication System Solutions, including platforms and test vehicles. The Programme will be executed in co-operation by Participants in EUREKA countries under mutually agreed Projects in areas as described in the Purple Book, endorsed by EUREKA under number Σ! 5828.
In a dynamic and competitive environment the objectives of Celtic-Plus are subject to permanent revision and updating, for example, in respect of forthcoming new technologies, which must flow into the Programme or new fields of application, which may arise out of market demands.

I.3 Celtic-Plus Work Areas (hereinafter "Work Area")

The main Celtic-Plus work areas, as further described in the Purple Book, are as follows:

- Get Connected:
  - Networks and Platforms
  - Service- and network management
- While Connected:
  - Multimendia
  - End-user services
- Green ICT
  - Energy-saving technologies, Smart Grids
  - Multi-disciplinary environmental and clean technologies
- Future Internet
  - Complementation to Future Internet programs (e.g. FI-PPP)

I.4 Celtic-Plus Participants (hereinafter "the Participants")

Participants are the companies, research institutes or universities who are explicitly named in the Project outlines and Full Project Proposals of labelled Projects and have accepted the Celtic-Plus rules and regulations by signing a Declaration of Acceptance according to Article VI. By signing a Declaration of Acceptance the companies, research institutes or universities accept all the relevant provisions of this CFA as well as any further provisions applicable thereto.

Parties who have originally signed or acceded to the CFA in accordance with the provisions of Art. IV are also considered as Participants when involved in Projects.

I.5 Celtic-Plus Parties

The Celtic-Plus Parties are the parties having originally signed or acceded to the CFA in accordance with the provisions of Article IV. The Original Celtic-Plus Parties are those who were party to this CFA at the time Celtic-Plus was established and are defined on the cover page of the CFA.

I.6 Celtic-Plus Project (hereinafter "Projects")

The Programme is executed in form of various Projects within the Work areas that have been defined as the Project outlines or Full Project Proposals, and approved and labelled by the Celtic-Plus bodies as described in Article III hereinafter.

I.7 Public Authorities (hereinafter "the PAs")

The PAs are the representatives of the governments of Austria, Belgium, Finland, France, Germany, Hungary, Ireland, Israel, Norway, Poland, Portugal, Spain, Sweden, and Turkey and/or of other countries which are part of the Eureka organisation and/or of the Commission of the European Union ("CEU") expressing their interest in co-operation in telecommunication research in Europe, being willing to subsidise Participants participating in Projects and therefore being willing to contribute to the execution of the Programme.

I.8 Affiliate

An **Affiliate** of a Participant means:

(a) any legal entity directly or indirectly Controlling, Controlled by, or under common Control with that Participant, for so long as such Control lasts; and

(b) any other legal entity that is listed in an Annex to the Project Cooperation Agreement as being an Affiliate of that Participant, where such legal entity is:

  (i) one in which that Participant (or a legal entity qualifying as an Affiliate of that Participant under (a) above) has a 50% equity share or is the single largest equity shareholder; or

  (ii) under common Control with that Participant, or a legal entity qualifying as an Affiliate of a Participant under (a) above through government.

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

- ownership of more than 50% of the nominal value of the issued share capital of the entity or of more than 50% of the issued share capital entitling the holders to vote for the election of directors or persons performing similar functions, or

- right by any other means to elect or appoint directors of the entity (or persons performing similar functions) who have a majority vote.

Common Control through government does not, in itself, create Affiliate status and any legal entity under common government Control must be specified in accordance with (b) above in order to qualify as an Affiliate.

I.9 Non-European Affiliate

In the context of this Celtic-Plus Frame Agreement, any company or legal entity which is directly or indirectly Controlling, Controlled by, or under common Control with a Participant as defined above, not being resident in a country of Europe is deemed non-European.

I.10 intentionally left blank

I.11 Celtic-Plus Core Group

The Celtic-Plus Core Group is the group of representatives, constituted in accordance with Art. III.1.1. hereof and having the responsibilities allocated to it in accordance with Art. III.1.2 hereof.

I.12 Celtic-Plus Organisation

The Celtic-Plus Organisation refers to the operational structure of the Programme, including all the bodies as described in Art. III of this CFA.

I.13 Europe

In the context of this CFA, Europe is understood as including all the countries belonging to the EUREKA organisation.

I.14 Other definitions

Access Rights: means licences and user rights to Foreground or Background.

Background: means information which is held by a Participant prior to its accession to the PCA, or as developed thereafter independently from its participation in the Project, including, but not limited to, know-how, technical information, technology, inventions, patent rights, industrial property rights, copyrights and Software.

Controlled Licence Terms means terms in any license that require that the use, copying, modification and/or distribution of Software or another copyright work ("**Work**") and/or of any copyright work that is a modified version of or is a derivative work of such Work (in each case, "**Derivative Work**") be subject, in whole or in part, to one or more of the following:

(a) (where the Work or Derivative Work is Software) that the Source Code be made available as of right to any third party on request, whether royalty-free or not;

(b) that permission to create modified versions or derivative works of the Work or Derivative Work be granted to any third party;

(c) that a royalty-free license relating to the Work or Derivative Work be granted to any third party.

For the avoidance of doubt, terms in any license that merely permit (but do not require any of) these things are not Controlled License Terms.

Fair and reasonable conditions means appropriate conditions including financial terms or other compensation, taking into account the specific circumstances of the request for Access Rights, for example the actual or potential value of the Foreground or Background to which Access Rights are requested and/or the scope, duration or other characteristics of the Use envisaged.

Foreground: shall mean all results obtained within the performance of the work in a Project whether or not they can be protected by an intellectual property rights, including, but not limited to, know-how, technical information, technology, inventions, patent rights, industrial property rights, copyrights and Software.
Indirect Utilization means that Access Rights for Use granted pursuant to this Celtic Plus Frame Agreement and the relevant PCA shall include the right for a Party and its Affiliates to whom such Access Rights are granted to have a third party make, only for the account of and for the use, sale or other disposal by the Party and such Affiliates, products or services, provided that the substantial portion of the specifications of such products or services has been designed by or for such Party and such Affiliates.

Use: means the direct utilisation or Indirect Utilization of Foreground for developing, creating and marketing a product or process or for creating and providing a service (excluding for the avoidance of doubt, the right to license the Foreground or Background of another Participant alone or "as such" independently of the product or service to third parties).

Application Programming Interface or **API:** means interface materials containing all data and information to allow skilled Software developers to create Software, which interfaces or interacts with other specified Software. Such API shall as minimum contain the data types and structures, constant and macro definitions, function and procedure definitions including their name, parameters, parameter count and parameter data type(s) and any data type or function results thereof, as set forth in header files, specifications and related documentation, all so as to enable Software to invoke some or all of the Software, relevant to the API; together with the available Software Documentation (if any) reasonably necessary for use of such API.

Limited Source Code Access: means (i) access to Object Code; or (ii) where normal use of such Object Code requires an API, access to Object Code and such API; or (iii) if neither (i) nor (ii) is technically sufficient, Source Code Access.

Needed and **Necessary** in respect of executing or carrying out a Project, and/or in the context of "Use of Foreground", mean "technically essential" in the sense that the execution and/or Use would otherwise be impossible and:

(a) where IPRs are concerned, mean that those IPRs would be infringed absent the Access Rights granted under a PCA;

(b) where confidential Information is concerned, only confidential Information which has been disclosed during the Project may be considered as technically essential, except as otherwise agreed between the Parties.

Object Code: means Software in machine-readable, compiled and/or executable form (including, but not limited to, byte code form).

Project Cooperation Agreement (PCA): means the agreement to be entered into between the Participants for a specific Project. The Project Cooperation Agreement will inter alia:

(a) specify the organisation of the co-operation for the Project between the Participants;

(b) specify the rights and the obligations of the Participants with regard to the execution of the Project and the financing of the Project;

(c) define rights and obligations of the Participants, including, but not limited to, their liability;

(d) define rights and obligations of the Participants with regard to confidentiality

(e) supplement the provisions of this Celtic-Plus Frame Agreement concerning Access Rights; and

(f) set out other rights and obligations of the Participants supplementing but not conflicting with those of this Celtic-Plus Frame Agreement.

Software: means a software program being sequences of instructions to carry out a process in, or convertible into, a form executable by a computer or similar device or hardware in the form of applications, components and libraries, and fixed in any tangible medium of expression.

Software Documentation: means information being technical information relating to the design, development, comprehension, use or maintenance of any version of a Software program.

Source Code: means Software in human readable form such as is normally used to enable modifications to be made to it (including, but not limited to, comments and procedural code such as job control language and scripts to control compilation and installation) together with the available Software Documentation.

Source Code Access: means access to Object Code as well as access to Source Code as necessary for a Participant for execution of its part of the specific Celtic-Plus Project or for such Participant's Use.

II SCOPE

II.1 Celtic-Plus Organisation

By signing this Celtic-Plus Frame Agreement the Original Celtic-Plus Parties agree to establish the Celtic-Plus Organisation, which includes the bodies listed in Art. III for performing the Programme.

II.2 Purpose of Celtic-Plus Organisation

Scope and purpose of the Celtic-Plus Organisation is to stimulate, organise and co-ordinate research and development work within the goals of the Celtic-Plus Programme executed by Participants. The Celtic-Plus Organisation is intended to be a self-sustaining non-profit organisation.

II.3 Office of Celtic-Plus Organisation

The Office of the Celtic-Plus Organisation, continued to be called "Celtic Office", is responsible for the day-to-day operation of the Programme and is authorised to operate all necessary activities of the Programme under the instructions of the the Celtic Core Group. The Celtic Office will be operated as a separate division within the legal entity of Eurescom GmbH, unless otherwise decided upon by two third of the Celtic Plus Parties, subject to a reasonable notice period. The creation of an own legal entity may be considered, in a form to be agreed upon by the Celtic-Plus Parties, on the condition that the Celtic-Plus Core Group, deciding with two third majority, has recommended to the Celtic-Plus Parties the creation of a legal entity.

III EXECUTIVE BODIES

Executive bodies of Celtic-Plus Organisation are:

- the Celtic-Plus Core Group,
- the Celtic-Plus Group of Experts,
- the Celtic-Plus Ad Hoc Committees and
- the Celtic Office.

III.1 Celtic-Plus Core Group

III.1.1 Composition of the Celtic-Plus Core Group

The Celtic-Plus Core Group will be composed of the representatives of the Parties. No Party may have more than one representative as member in the Celtic-Plus Core Group. The Celtic-Plus Core Group will be established, in accordance with the following:
The composition of the Celtic-Plus Core Group should reflect the participation in the Celtic-Plus Programme and an appropriate mixture in respect to balance of participating countries, fields and levels of activities, while staying at a count level compatible with effective decision-making processes. Each representative member of the Celtic-Plus Core group has one vote. For avoidance of doubt it is stated that all Original Celtic-Plus Parties will be represented in the Celtic-Plus Core Group as long as they remain a Celtic-Plus Party.

The chairman and the vice-chairman are elected by the members of the Celtic-Plus Core Group on an annual basis.

The designated representatives of the Celtic-Plus Parties should attend the meetings of the Celtic-Plus Core Group in person. Authorized proxy is allowed in exceptional cases only. The chairman must be informed in advance in writing before a meeting if a Celtic-Plus Party changes its designated representative.

The Celtic-Plus Core Group may decide to remove a Celtic-Plus Party represented in the Celtic-Plus Core Group, if such Celtic-Plus Party becomes an Affiliated Company to another Celtic-Plus Party having a representative in the Celtic-Plus Core Group or to a company not being incorporated in a country of Europe, or if the criteria for the membership would no longer apply.

III.1.2 Tasks and Responsibilities of the Celtic-Plus Core Group

The Celtic-Plus Core Group is responsible for:

- the Programme strategy and coherence;
- the representation of the Programme to PAs;
- the interface to the PAs for all issues related to the Programme;
- the decisions on tasks and guidelines for the Celtic-Plus Group of Experts (e.g. for Project selection and Participant search);
- the definition and updating of guidelines for the structure and organisation of the Programme; the admission and control of rules for Programme and Project management;
- the selection of Projects, assisted by the Celtic-Plus Group of Experts' recommendations;
- the execution and overall management of the Programme;
- decisions on Projects in individual cases regarding potential conflict of interest between Participants or participation in a Project of a non-European Affiliate. Such companies may be allowed to participate as Participants with the same rights and duties as other European Participants (except for participation in the executive bodies of the Programme, see Art. III), if they have demonstrated: the existence of substantial R&D activities in Europe, the existence of decision power in Europe for the further implementation of research results into commercial products, the added-value of their contribution to the Celtic-Plus Project consortium
- the approval of the budget for the Celtic-Plus Organisation
- the operational costs of the Celtic-Plus Organisation
- the financial audit of the Celtic-Plus Organisation

III.1.3 Celtic-Plus Core Group Meetings

The Celtic-Plus Core Group shall perform its work in regular meetings, at least three times a year.

III.1.4 Voting

Each member in the Celtic-Plus Core Group has one vote.

Decisions require a simple majority of the votes of the members present or represented by proxy, except for the following:

(i) installation/relocation of the Celtic Office;

(ii) budget related issues

which require a majority of two thirds of the votes of the members present or represented by proxy.

III.2 Celtic-Plus Chairman

The chairman is the representative and spokesman of the Celtic-Plus Organisation. He shall arrange and chair the Celtic-Plus Core Group meetings. The chairman is elected by the Celtic-Plus Core Group on an annual basis, the election date being at the end of the calendar year.

III.3 Celtic-Plus Vice Chairman

The vice-chairman is also a representative of the Celtic-Plus Organisation and is, in addition, chairman of the Celtic-Plus Group of Experts. The vice-chairman is elected by the Celtic-Plus Core group on an annual basis, the election date being at the end of the calendar year.

III.4 Celtic-Plus Director

The Celtic-Plus Core Group shall agree the appointment of the director of the Celtic Office. The director receives his task description from the Celtic-Plus Core Group and reports to the chairman of the Celtic-Plus Core Group.

III.5 Celtic-Plus Group of Experts

III.5.1 Composition of the Celtic-Plus Group of Experts

The Celtic-Plus Core Group may install a permanent Celtic-Plus Group of Experts which has delegated responsibilities and which shall execute specific tasks and responsibilities.

The Celtic-Plus Core Group will decide upon the working rules for the Celtic-Plus Group of Experts. The number of members and the composition of the Celtic-Plus Group of Experts are decided by the Celtic-Plus Core Group. The Celtic-Plus Core Group may decide to replace a member in the Celtic-Plus Group of Experts, if such member becomes an Affiliate to another Participant having a representative in the Celtic-Plus Group of Experts or to a company not being resident in a country of Europe, or if the criteria for his membership would no longer apply, or to have additional members appointed.

The Celtic-Plus Core Group vice-chairman is chairman of the Celtic-Plus Group of Experts.

III.5.2 Responsibilities of the Celtic-Plus Group of Experts

The Celtic-Plus Group of Experts will have a delegated responsibility from the Celtic-Plus Core Group for all decisions related to selection and monitoring of Projects. Unless otherwise decided by the Celtic-Plus Core Group, the Celtic-Plus Group of Experts will perform the following tasks:

- Making proposals for, and taking care of, updating and implementation of guidelines for technical Projects selection and ranking;
- Making recommendations on giving the Celtic-Plus Label to project proposals, and funding outlook by PAs;
- Making recommendations in case of major Project change requests;
- Advising the Celtic-Plus Core Group on all relevant issues.

III.6 Celtic-Plus Ad hoc Committees

The Celtic-Plus Core Group may install from time to time and for a limited duration Celtic-Plus Ad Hoc Committees which have delegated responsibilities to execute specific tasks.

As an example, Celtic-Plus Ad Hoc Committees may be created for the purpose of assisting the Celtic-Plus Core Group or the Celtic-Plus Group of Experts with monitoring the progress for the PAs. Also a Celtic-Plus Ad Hoc Committee composed of scientific advisors may be created. Also a Celtic-Plus Ad Hoc Committee composed of legal experts of the Celtic-Plus Parties may be created.

The Celtic-Plus Core Group will decide upon working rules and time frames for any Celtic-Plus Ad Hoc Committee created. Third parties participating in such an Ad Hoc Committees must sign a non-disclosure agreement.

III.7 Celtic-Office

The Celtic-Plus Core Group shall install a permanent office directed by the director of the Celtic Office. The Celtic office will ensure the day-to-day administration and follow-up of the Programme, according to Art. III 4.

The Celtic-Office, represented by the Celtic-Plus director, reports to the Celtic Plus Core Group. The Celtic-Office will consist of a team of experts for which the Celtic-Plus director will have managerial responsibility.

The Celtic-Office will have the following tasks and responsibilities:

- General administration of the Programme,
- Accounting and billing of participation fees in accordance with Article VII hereof,
- Payment of Celtic office costs, Celtic office personnel according to the budget plan,
- Admission and control of the rules for participation to the Programme,
- Interface for all Participant, organisation of a Programme database,
- Monitoring of Projects, assisted by the Celtic-Plus Group of Experts, under Celtic-Plus Core Group responsibility,
- Organisation of reporting and reviewing activities at Project and Programme levels (Technical Reports, handling of change requests, Project Reviews, Programme Review, Fora,…),
- Information and communication to the Participants,
- Communication to the outside and interface with the PAs on general funding issues, following instructions of the Celtic-Plus Core Group,

- Support and assistance to all other executive bodies in the Celtic-Plus Organisation.

IV ACCESSION OF FURTHER PARTIES to the CFA

The accession of further parties to this CFA is subject to the approval of the Celtic-Plus Parties, deciding with a two third majority.

Any applicant, who is willing to become a party according to Annex A of this CFA, must be considered under conditions of transparency and equal treatment. The Celtic-Plus Core Group has the responsibility to ensure that the Celtic-Plus Parties reflect the participation in the Celtic-Plus Programme in terms of an appropriate mixture which balances the participating countries, technical fields and levels of activities, while staying at reasonable size, allowing effective and efficient decision-making processes.

Parties having acceded to this CFA assume the rights and obligations as from the date they accede to this CFA by signing the so-called "Declaration of Accession". With regard to participation in the costs of the Celtic-Plus Organisation, Parties that have acceded to this CFA shall contribute to the costs pro rata temporis from the time they have become a Celtic-Plus Party.

Eurescom, as the Celtic-Plus Party hosting the Celtic office will act as the recipient and signatory representative of the Declaration of Accession for new Celtic-Plus Parties joining the CFA after having been approved by the Celtic-Plus Core Group.

V CELTIC-PLUS PROJECTS AND PROPOSALS IN CELTIC-PLUS

Any Celtic-Plus Party to this CFA may decide in its absolute discretion whether or not to participate in any Project

V.1 A Project based programme

The research and development work within the Programme shall be executed by Participants in individual Projects as part of the EUREKA Programme Σ! 5828.

V.2 Project Participant costs

Participants in Projects shall execute their work under their own responsibility and at their own costs.

V.3 Proposal submission

Proposals for Celtic-Plus will be selected from two full proposal calls (CPP) which run every year in Spring (March/ April) and autumn (September/ October).

V.4 The principle of Co-operation

Projects are necessarily accomplished in co-operation of Participants according to PCAs agreed and concluded between the Participants for the specific Project case by case. The PCA for the individual Projects should substantially be in line with the

template PCA for Celtic-Plus Projects provided by the Celtic Office. For the sake of clarity, the Participants are free to further specify the terms and conditions applicable to each Project in the specific PCA as long as such terms and conditions do not conflict with the present CFA.

V.5 Supporting the funding requests

The funding of Projects is not the responsibility of the Organisation as it demands the decision of the respective PAs. However, the Celtic-Plus Organisation will perform all reasonable and necessary actions to demonstrate to PAs the interest of the Projects and the usefulness of their co-ordinated funding.

VI PROPOSAL EVALUATION AND CELTIC-PLUS LABEL

VI.1 Submission and Evaluation

Applicants in Projects shall submit their proposals with the necessary information according to the Celtic-Plus rules and regulations to the Celtic-Plus Organisation. The Celtic-Plus Organisation, acting through the Celtic-Plus Group of Experts if any, will evaluate the proposal with respect to its support of the general aims of the Programme and its being within the goals of the respective Celtic-Plus work areas described in the Purple Book.

VI.2 Labelling and recommending for funding

After evaluation by the Celtic-Plus Group of Experts if any, the Celtic-Plus Core Group will decide whether it will grant a label, hereinafter the "Celtic-Plus Label" to the proposed Project. The Celtic-Plus Label is the confirmation of the Celtic-Plus Organisation that the proposed Project fits to the goals of Programme and that the applying organisations may participate as Participants in the Programme. The Celtic-Plus Label is the confirmation that the Celtic-Plus Organisation recommends the Project for public funding. The Full Project Proposal is the basic technical document for the application for funding to the respective PAs. The decision of funding lies with the respective PA.

VI.3 Acceptance of the Programme process

The Celtic-Plus Label is subject to the condition that the Participants in the Project comply with the Celtic-Plus regulations and accept the rules laid down in the Celtic-Plus Frame Agreement by having signed the so called "Declaration of Acceptance" (Annex B).

VII COST OF CELTIC-PLUS ORGANISATION

VII.1 Operational Funding

The anticipated costs of the Celtic-Plus Organisation (as to be decided by the Celtic-Plus Core Group) shall be listed in a yearly budget and subject to the approval of the Celtic-Plus Core Group.

The costs which are covered in the approved budget shall be borne by all Celtic-Plus Participants, prorate either the planned manpower or the Project budget in their labelled Projects concerning the respective year. The Celtic-Plus Core Group shall determine and approve the standard annual Celtic-Plus contribution fee to these

costs and the Celtic office shall calculate and invoice the contribution to be paid by each Participant.

The office will calculate the fees separately for each six month period of the year: 1 January to 30 June and 1 July to 31 December, and payment for each period will be due on 30 June and 31 December respectively. Invoices will be sent prior to the end of the period and will be based on the original Project budget or the latest approved changes in the Projects.

In exceptional cases Participants may be exempted by the Celtic-Plus Core Group deciding by simple majority from cost sharing in money and may contribute by making available manpower for the purpose of Project evaluations or roadmap writing.

The Celtic-Plus Parties will remain liable on an equal basis for the costs that have been unanimously approved by the Parties and that cannot be covered by the Celtic-Plus contribution fees of the Participants.

Eurescom, for as long as it is in charge of the Celtic office, will accept this liability on behalf of Celtic-Plus Parties that are also Eurescom shareholders. Celtic-Plus Parties providing in kind contributions as agreed upon in the budget will be compensated for this when appropriate.

VII.2 Principle of Core Group Participation

Without prejudice to the provisions of Art. VII.1, last paragraph, each Celtic-Plus Party shall bear its own costs resulting from the participation of persons or organisations in the Celtic-Plus Programme.

VII.3 Withdrawing Parties Liabilities

Notwithstanding the foregoing, in case that a Celtic-Plus Party withdraws its participation from the Celtic-Plus Organisation it will be liable for its corresponding equal share in the approved budget for the year of the withdrawal in case that the payments of the contribution fees of the Parties were not sufficient to cover the foreseen budget.

VIII CONFIDENTIALITY/RESTRICTION IN USE

VIII.1 Principle of confidentiality

It is understood and agreed by the Celtic-Plus Parties, that all technical and business information received from other Celtic-Plus Parties pursuant to or in connection with the performance of this CFA and which has been explicitly marked as "confidential", or when disclosed orally, has been identified as confidential at the time of disclosure and has been confirmed and designated in writing within 15 days from oral disclosure at the latest as confidential information by the disclosing Celtic-Plus Party shall be kept confidential towards third parties (excluding other Celtic Plus Parties) during and for 5 (five) years after the disclosure of the same.
The representatives in all executive bodies (Art. III), i.e. in the Celtic-Plus Core Group, the Celtic-Plus Group of Experts, the Celtic office, and in all ad-hoc set up fora or Celtic-Plus Ad hoc Committees, are obliged not to use the received

information for any other purposes than performing the work within the Celtic-Plus Organisation.
Each Celtic-Plus Party shall make such information available only to those of its employees who need to know the information in connection with such performance of the work within the Celtic-Plus Organisation; and then, only to the extent of such need to know.

VIII.2 Limitations of confidentiality

No information disclosed by any disclosing Celtic-Plus Party shall be deemed to be (or to remain) subject to the obligations set forth in Art. VIII 1 for the purposes of this CFA to the extent that any receiving Celtic-Plus Party can show that the information concerned:

- was publicly available at the time of disclosure or has become publicly available by no wrongful act or omission on the part of the receiving Celtic-Plus Party or any of its Affiliates;
- was in the possession of the receiving Celtic-Plus Party or one of its Affiliates without confidentiality obligation at the time of disclosure;
- was lawfully obtained by the receiving Celtic-Plus Party or any of its Affiliates from a third party without an obligation of confidentiality; or
- was developed by the receiving Celtic-Plus Party or any of its Affiliates independently from the other Parties' confidential Information.
- is disclosed pursuant to judicial order, a lawful requirement of governmental agency; or by operation of law, but then only to the extent so ordered; in such case receiving Celtic-Plus Party will use its best efforts to timely advise the Disclosing Celtic-Plus Party prior to disclosure.

VIII.3 Sharing information with PAs

It is necessary to share information with the PAs to operate the Programme. Therefore "third parties" within the meaning of this Article does not include the PAs subsidising the Participants in the Projects. Similarly where Celtic-Plus Parties' Affiliates are involved they will not be considered as "third parties provided that these Affiliates undertake to keep substantially the same obligation as stipulated under this Article.

VIII.4 Project procedures for handling results

Publications concerning the results obtained under the execution of this CFA from other Celtic-Plus Parties are subject to their previous written approval. In the PCA for a specific Project, the Participants may further agree upon arrangements and procedures for publications of Foreground, Background and confidential information.

IX ACCESS RIGHTS WITHIN IN A PROJECT

This Article IX covers the Celtic-Plus principles concerning Access Rights which shall be applied in the cooperation between Participants within a specific Project.

The individual Project Co-operation Agreement (PCA), pursuant to Article V, Paragraph 4 of this CFA, shall adopt the following conditions:

IX.1 Granting of Access Rights to Affiliates

Each Participant hereby grants Access Rights to any Affiliate of any other Participant as if such Affiliate was a Participant, and subject to the condition that such Affiliate shall undertake to grant licences and user rights, on terms identical to Access Rights, to its Background that is Needed to Use Foreground, to all Celtic Plus Participants and their Affiliates (subject to such Affiliates also having given such undertaking) and to fulfil all confidentiality and other obligations towards the other Participants accepted by the Participants as if such Affiliate was a Participant. Access Rights granted to any Affiliate are subject to the continuation of the Access Rights of the Participant of which it is an Affiliate, and shall automatically terminate upon termination of the Access Rights granted to such Participant. Further, if an Affiliate fails in any material respect to comply with the undertaking given by it as above, and fails to rectify the non-compliance after being given a reasonable opportunity to do so, all Access Rights granted to it based upon that undertaking shall terminate.

For the purposes of this section, any reference to a Participant in the definition of the terms Background shall also apply as if the reference was to an Affiliate.

For the avoidance of doubt, this Article is intended to confer a benefit on Affiliates of the Participants by affording them the opportunity to obtain Access Rights, but it shall not oblige any Affiliate of any Participant to accept the granting of any Access Rights.

IX.1.2 Sub-licensing Rights

Without prejudice to the provisions of Article IX.5.4., any Access Rights to be granted shall not, unless the respective owner expressly agrees, confer any right to sub-license (other than to Affiliates or in the context of commercializing products and services as set forth in the definition of Use) and may be subject to appropriate undertakings as to confidentiality and to the restrictions contained in the partly limited Access Rights granted under this Article IX, but shall otherwise be unrestricted.

IX.1.3 Costs of granting access rights

The essential transfer cost for the granting of Access Rights shall be borne by the beneficiary Participant.

IX.2 Foreground ownership

The Foreground shall be owned by the Participant generating it and such generating Participant has the free and unrestricted right to use the Foreground, subject to Art. IX.

a) If, in the course of carrying out work on a specific Celtic-Plus Project, a joint invention, design or work is made (more than one Participants are contributors to it), and if the features of such joint invention, design or work are such that it is not possible to separate them for the purpose of applying for, obtaining and/or maintaining the relevant patent protection or any other intellectual property rights

protection, the Participants concerned agree that, unless otherwise agreed, they may jointly apply to obtain and/or maintain the relevant right.

b) The Participants concerned shall seek to agree between them arrangements for applying for, obtaining and/or maintaining such right on a case-by-case basis (which may include the possibility of the assignment of the full and exclusive ownership of the joint invention to one of the contributing Participants under conditions to be negotiated before any patent application). In the absence of any other agreement between the Participants, the Participants shall, so long as any such right is in force, be entitled to use and to license such right without any financial compensation to or the information to or the consent of the other Participants.

For the avoidance of doubt, joint ownership of Foreground, e.g. an invention, design or work shall not affect the obligations arising under this Celtic-Plus Frame Agreement.

IX.3 Intra Project Access Rights

IX.3.1 Foreground

With regard to Foreground, each of the Participants shall make available and shall grant non-exclusive, non-transferable rights and licenses to the other Participants participating in the same specific Celtic-Plus Project on a royalty free basis, where and to the extent that such Foreground is Necessary for the execution of their own research and development work under the said specific Project. These Access Rights to Foreground shall be deemed granted to and by all Participants in the same specific Project, as of the effective date of the PCA for such Project.

IX.3.2 Background

With regard to Background, each of the Participants shall make available and shall grant non-exclusive, non-transferable rights and licenses to the other Participants participating in the same specific Project on a royalty free basis, where and to the extent that such Background is Necessary for the execution of their own research and development work under the said specific Project, provided that such Background is not listed in an Annex of the PCA as Background excluded from the obligation to grant Access Rights, and the Participant is free to license such Background. These Access Rights to Background shall be deemed granted to and by all Participants in the same specific Project, as of the effective date of the PCA for such Project.

IX.4 External Access Rights

IX.4.1 Foreground

With regard to their respective Foreground, each of the Participants shall make available and shall grant non-exclusive, non-transferable Access Rights for Use to the other Participants of the same specific Project on a royalty-free basis where and, as far as they before or by signing the PCA have mutually agreed to be in a balanced situation, as set out in the relevant PCA for each Celtic-Plus Project. These

Access Rights to Foreground for Use shall be deemed granted, as of the effective date of the PCA for such Celtic-Plus Project.

If and to the extent Parties have not agreed to be in a balanced situation, each of the Participants shall make available and shall grant non-exclusive, non-transferable Access Rights to their respective Foreground for Use to the other Participants of the same Project on Fair, reasonable and non discriminatory conditions, subject to a bilateral agreement between the Participants concerned.

Access Rights to Background for Use will be granted to the extent Necessary to Use Foreground on Fair and reasonable conditions to and by all Celtic Participants in the same Project subject to a bilateral agreement between the Participants concerned, and provided that the Background is not listed in an Annex for the relevant Project, as excluded from the obligation to grant Access Rights and that Participant is free to grant such Access Rights.

Additionally, no Participant shall use, in the execution of the Project, any Background owned by it which is excluded, if such use of such Background would result in such excluded Background being Necessary for any other Participant for the Use of any Foreground. If a Participant breaches this paragraph and as a consequence thereof, such Background becomes Necessary by any other Participants of the same Project for the Use of any Foreground, then such Background shall be deemed no longer excluded from obligations to grant Access Rights in accordance with this CFA and the PCA.

Access Rights for Use include the right of Indirect Utilization as such term is defined in this CFA.

IX.5 Software Rights

IX.5.1 Access to Source Code for Software

For the avoidance of doubt, the general provisions for Access Rights provided for in Articles IX.3 and IX.4 hereof are applicable also in case of Software.
Access Rights to Software does not comprise access to Source Code but only to Object Code, unless expressly otherwise provided for in this Article or in the corresponding PCA.

IX.5.2 Software as Background

For Software, which is Background, with regard to all Participants in the same specific Project, any Access Rights granted shall be in the form of Object Code access whether for the execution of the Project and/or for Use, unless otherwise agreed

IX.5.3 Software as Foreground

For Software, which is Foreground, with regard to all Participants in the same specific Project, any Access Rights shall be in the form of
Limited Source Code Access.

IX.5.4 Software licence and sub-licensing rights

1. Access Rights to Object Code and/or an API for Use shall comprise at least, the world-wide right to

- use in research, to create/market a product/process, and to create/provide a service;
- make and have made an unlimited number of copies of such Object Code and/or API;
- distribute, make available, market, sell and offer for sale; even by using services of a third party, such Object Code and/or API as part of products or services of the Participant having the Access Rights; and
- grant in the normal course of the relevant trade to end-user customers buying/using the product/services a perpetual, irrevocable, world-wide licence to:
    - use such Object Code and/or API as part of or as integrated into, products and services of the Participant having the Access Rights and,
    - as needed, maintain such product/service, and
    - create for its own end-use interacting interoperable Software in accordance the Directive of 23 April 2009 on the legal protection of computer programs (DIRECTIVE 2009/24/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL).

2. Where a Participant has Source Code Access to Foreground for Use, Access Rights to such Source Code shall comprise, at least, a worldwide right to use, to make and have made copies, to modify and have modified, develop and have developed, to adapt and have adapted Source Code for research, to create /market a product/process, to create /provide a service and/ to sub-license such Source Code, but solely for purpose of adaptation, error correction, maintenance and/or support of the Software

3. Each sublicense granted according to the provisions of Article IX.5.4. hereof shall when practical be made by a traceable agreement specifying and protecting the proprietary rights of the Participant concerned.

4. Each Participant shall declare in writing to the other Participants as soon as reasonably possible before the start of the Project or during the Project its intended use in the Project or introduction into the Project of any Background or other work in a manner or upon terms that would or might result in a requirement that all or some of the Foreground, Background or any other work must, either generally or under certain circumstances, be licensed under Controlled License Terms. Such use or introduction is only allowed if all Participants have unanimously approved in writing such use or introduction. The further procedure regarding software under Controlled License Terms shall be further described in the PCA.

X WARRANTY AND LIABILITY between Celtic Plus Parties

X.1 Professional standard of diligence and care

In performance of this CFA the Celtic-Plus Parties shall use the diligence and care, which they usually employ in own business affairs.

X.2 Mutual Indemnity

Each Celtic-Plus Party shall indemnify each of the other Celtic-Plus Parties in respect of the acts or omissions of itself and of its employees, agents and subcontractors (if any) provided always that such indemnity shall not extend to claims for indirect or consequential loss or damages or any loss of profit, revenue, contract or the like. The aggregate liability of each Celtic- Plus Party to all of the other Celtic-Plus Parties collectively in respect of any and all claims shall not exceed fifty thousand (50.000 EUR)

The exclusions and limitations stated above shall not apply in respect of any:

(a) fraud;

(b) death, injury to natural persons or damage to real or immovable property caused by the negligence or wilful act of such Party, its directors, employees, agents and Subcontractors;

(c) wilful breach by a Party of any obligation accepted under the CFA; or

(d) otherwise in so far as mandatory applicable law overrides them.

(e) breach of confidentiality

X.3 Disclaimer on use of information

No warranty condition or representation of any kind is made, given or to be implied as to the sufficiency, accuracy or fitness for purpose of such information or materials delivered by any Celtic-Plus Party hereunder, or the absence of any infringement of any proprietary rights of third parties by the use of such information and materials and the recipient Celtic-Plus Party shall in any case be entirely responsible for the use to which it puts such information and materials.

XI FRAME AGREEMENT TIMEPLAN

XI.1 Introduction

This CFA shall come into force after having been signed by the Original Celtic-Plus Parties with retroactive effect as from 1st of January 2011.

XI.2 Duration

This CFA will continue to be in full force and effect until the Celtic-Plus expiry date ***December 31 2019***, unless terminated in common agreement at the end of each subsequent calendar year.

XI.3 Withdrawal

Starting from January 1 2011 each Celtic-Plus Party has the right to withdraw from this CFA by giving 6 months written notice to the chairman of the Core Group.
If a Celtic-Plus Party withdraws according to Art. XI Paragraph 3, the CFA will be continued between the remaining Celtic-Plus Parties.

XII MISCELLANEOUS

XII.1 Respect for national authority rules

It is understood that for each Celtic-Plus Party the implementation of this CFA shall not be contrary to the rules of the respective subsidising authorities which will apply to said Celtic-Plus Party.

XII.2 Agreement of changes to this Frame Agreement

Modifications and supplements to this CFA inclusive of this paragraph 2 are subject to agreement in written form signed by a duly authorised representative of each Celtic-Plus Party.

XII.3 Precedent over Purple book

In case of inconsistency of the Purple Book with the wording of this CFA the latter shall prevail.

XII.4 Participants responsibilities for employees

The Participants ensure that their employees also fulfil the obligations of this CFA.

XII.5 Transfer of rights and obligations by Parties

The rights and obligations arising from this CFA shall not be assigned to third parties other than Affiliates without prior written approval of the other Celtic-Plus Parties, provided that each Project Participant must be a Party to this CFA.

XII.6 Dispute resolution

Any dispute of whatever nature in respect of or arising out of this CFA, even those which arise after its termination, shall be settled amicably. If such a settlement fails, the dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall be held in Brussels, Belgium

XII.7 Governing Law for this agreement

The CFA is governed by the laws of the country of Belgium excluding its conflict of law rules.

XII.8 Agreement Language

This CFA and the accessions thereto are concluded, respectively declared, in the English language. In any case of translation into other languages the English language version shall prevail.

XII.9 Maintaining the principles of this Frame Agreement

In the event that any provision of this CFA, by whatever reason is or will be found to be legally unenforceable or in any case of a loophole in the CFA, that needs to be filled in, the enforcement of the CFA shall not be affected. The legally unenforceable provision/clause or the loophole shall be substituted by a provision/clause which, within the legal possibilities, is nearest to the intention the Celtic-Plus Parties had envisaged for the point in question.

NOTE: ***THIS SIGNATURE PAGE WILL BE EXPANDED BY ONE SEPARATE PAGE PER PARTY, SIGNED IN 18 COPIES.***

Agreement of Celtic-Plus Frame Agreement

The undersigned Celtic Party agrees to be a Party to this Celtic-Plus Frame Agreement approved by the Celtic Core Group on 1 December 2011.

By signing this Celtic-Plus Frame Agreement the Party agrees to collaborate in the establishment and operation of the Celtic-Plus Organisation and to share the responsibilities for this programme as defined in the agreement.

Undersigned Celtic-Plus Party
<company name, address>

Represented by *<name, company, position>*

Place, date.....

signature.....
<type name of signed person>

DECLARATION OF ACCESSION FOR CELTIC-PLUS PARTIES

Annex A to Celtic-Plus Frame Agreement

Subject: Accession to Celtic-Plus Frame Agreement

[full name and legal form of new Celtic-Plus Party], represented for the purpose hereof by *[(name of legal representative) (function) or her/his/their authorised representative established in (full address : city/state/province/country)]* acting as its legal authorised representative, hereby requests to become a Celtic-Plus Party to the Celtic-Plus Frame Agreement and accepts, in accordance with the provisions of the aforementioned Celtic-Plus Frame Agreement, all the rights and obligations of a Celtic-Plus Party starting the *[date]*.

EURESCOM, represented for the purpose hereof by *[(name of legal representative) (function)* or *her/his/their authorised representative established in (full address : city/state/province/country)*] acting as its legal authorised representative, hereby certifies as representative of all the existent Celtic-Plus Parties that these Celtic-Plus Parties accept the request of [*[full name of new Celtic-Plus Party*] and agree to the accession of *[full name and legal form of new Celtic-Plus Party]* to the aforementioned Celtic-Plus Frame Agreement as Celtic-Plus Party starting the *[date]*.

Done in two copies, of which one shall be kept by Eurescom (handled by Celtic Office) and one by *[name of new Celtic-Plus PARTY]*

[full name and legal form of new Celtic-Plus Party]

.....

.

.....

(name)

…….

(signature)

EURESCOM

David Kennedy

(director)

…….

(signature)

This letter has to be printed on company paper, duly signed by an authorised person, and sent via registered mail to:

Celtic Office

c/o Eurescom

Wieblinger Weg 19/4

69123 Heidelberg/ Germany

DECLARATION OF ACCEPTANCE FOR CELTIC-PLUS PROJECT PARTNERS

Annex B to Celtic-Plus Frame Agreement

Subject: Acceptance of Celtic-Plus rules

The undersigned ……..…..
(company, institution)

is applicant for a Celtic-Plus Label for a Celtic-Plus Project or has already been awarded a Celtic-Plus label.

In case of the award of a Celtic-Plus Project with the Celtic-Plus Label by the Celtic-Plus Core Group the undersigned accepts and acknowledges the rules and regulations for the Celtic-Plus Projects laid down in the Celtic-Plus Frame Agreement CFA-Plus) as being applicable to all Celtic-Plus Projects. It is understood, that the undersigned Party will receive the relevant general information related to the execution of the Celtic-Plus Programme.

……

(name)

…….

(signature)

…….

(date)