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PARTICIPATION AGREEMENT

Baltic Marine Watchdog Challenge

Swedish Innovation Agency („Vinnova“)

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and

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(**“Participant”**)

Vinnova and the Participant are hereinafter individually referred to as the “Party”, collectively also as “Parties”.

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Preamble

Recent incidents involving the sabotage and accidental damage to Critical Underwater Infrastructure (CUI) are directly challenging civil security frameworks and strategies. Currently, there is a critical capability gap, where no cost-effective, scalable, or autonomous civilian systems exist. There is a growing need for solutions that can operate in degraded marine environments and dense marine traffic to successfully detect, identify, track, and document suspicious surface and underwater activities.

To achieve full attribution, such systems must be capable of monitoring and documenting a wide range of unauthorised, and possibly illegal, activities. This includes being able to address physical threats to infrastructure, such as anchor dragging, and other unauthorised surface or underwater activities. They must also be able to monitor environmental offences, including oil spills and hazardous waste leaks.

The difficulty in attributing these suspicious sub-threshold actions places severe strain on authorities and private corporations who are responsible for safeguarding such infrastructure. To counter these threats, new scalable, autonomous, and selective approaches are required to interpret, document, deter, and de-escalate suspicious activities. Future systems must also be able to adapt to unexpected threats and deploy situationally appropriate countermeasures, ranging from non-escalatory interception to comprehensive documentation that can support the subsequent investigation, verification and attribution of unauthorised activities.

The aim of the Baltic Marine Watchdog Challenge is to develop, demonstrate, and validate full autonomous systems for maritime surveillance, vessel tracking, documentation, and monitoring relevant to safe navigation, environmental protection, maritime situational awareness, and critical infrastructure protection in demanding operational conditions. These systems must be able to autonomously patrol an defined sea area, identify and track vessels or other objects of interest, detect relevant anomalies, and maintain safe manoeuvring in real time.

To achieve this goal, Vinnova provides the teams with the opportunity for testing, mutual networking and various forms of coaching and mentoring offers during the individual stages in addition to evaluation. The teams are encouraged to use this unique test and training environment and to take it into account in their capacity planning.

The participant has successfully applied to participate in the procedure of this Vinnova “Baltic Marine Watchdog” Challenge. Their participation will be based upon the following Participation Agreement:

Part 1: Participation in the Competition

Section 1 Participation

(1) The Participant participates in a so-called pre-commercial procurement (hereinafter referred to as the “Competition”) in accordance with the present Participation Agreement.

The aim of the Competition is as follows:

Development of adaptive solutions that have maritime situational awareness, can autonomously classify and track objects and activities of interest, exchange relevant information, and operate effectively under adverse weather, darkness, dense maritime traffic, electronic interference, and GNSS-degraded conditions. Solutions must integrate autonomous sensing, decision-making, endurance, documentation, and navigation into a complete end-to-end capability. This includes multimodal sensor fusion, combining several technologies for surface and underwater awareness together with transparent decision logic, robust data transmission and seamless integration of detection, tracking, documentation and response-support functions.

Human override capabilities must always be available, and solutions must prioritise safety, accountability, operational resilience, and sustainability throughout all stages of the challenge.

(2) The Competition was preceded by an exploration of a solution on the basis of a Call for Submissions on 07 October 2026, which was published on the Vinnova homepage. The relevant specifications documentation is the legally binding basis of the present Participation Agreement. The Participant has contributed to this solution exploration with the solution approach *Insert title of the selected solution*, enclosed as **Annex A**. In cases of doubt, the present Participation Agreement and the specifications documentation of **Annex A** will take precedence. On the basis of the assessment of the Competition jury of 15 January 2027, and the following decision by Vinnova, which is attached as **Annex B**, this solution was selected for participation in the Competition. The Participant undertakes to implement the solution described in **Annex A** in accordance with the present Participation Agreement.

(3) The – mandatory – participation in the intermediate and final event at a test site to be named is subject to examination and/or verification of technical requirements and, if applicable, the submission of insurance-relevant policies as well as any necessary safety-relevant release declaration from a possible cooperation partner of Vinnova for this Competition.

(4) The Participant will undertake to observe the applicable safety requirements and legal regulations when operating, testing and demonstrating its solution.

(5) The Participant will undertake to observe the regulations for the use of the test site.

Section 2 Definitions

For the purposes of the present Participation Agreement, the following terms will apply as defined in each case.

1. Applicant

All companies or institutions that submit an offer or submission with a solution approach, among other things, on the basis of the specifications documentation for this Competition.

2. Participant

The legal entity that has been selected to participate in the Competition and has entered into this Participation Agreement with Vinnova.

3. Contracting party

Vinnova, as the legal entity entering into the Participation Agreement with the Participant, is contracting party and acts as purchaser of the research and development services covered by the Participation Agreement. Vinnova shall manage ongoing communication and coordination related to the agreement.

4. Competition

The staged procedure through which the Participant provides research and development (R&D) services in accordance with the specifications documentation.

5. Pre-commercial procurement

Pre-commercial procurement (abbreviated: PCP), as defined in the Communication of the European Commission COM (2007) 799 final of December 14, 2007, is a specific approach to the procurement of research and development services that involves competitive development in stages and risk-benefit sharing under market conditions, and in which there is a clear separation between competitive development and the provision of commercial quantities of finished products.

6. Approach

The offer of a candidate or the Participant in accordance with the specifications documentation (also known as a “solution description” or “draft solution”).

7. Third party

Any other company(ies), institution or individual person other than Vinnova and the Participant.

8. Stage

Every single stage of the Competition.

9. Intellectual property rights (IPRs)

All patent rights (including, but not limited to, divisions, extensions, enhancement patents, supplementary protection certificates), inventions (whether or not patentable or registrable), trademarks, copyrights (including moral rights), topography rights, design rights, rights on and in databases (including the right to prevent the removal or re-utilisation of information from a database), trade secrets and confidentiality rights, expertise, trade or business names, domain names, whether registered or registrable or not, and including applications for registration, renewal or extension of these rights, as well as any other rights or forms of protection of a similar nature that have an equivalent or similar effect to them and may exist now or in the future worldwide.

10. License

A right that the owner of an intellectual property right grants to another person (the licensee) in exchange for an agreed payment (fee or licence fee) to use these rights. Licenses can be exclusive or non-exclusive. An exclusive licence means that no person or company other than the named licensee is entitled to use the intellectual property rights in question. A non-exclusive licence grants the licensee the right to use the intellectual property, yet means that the licensor is free to use the same intellectual property and allow any number of other licensees to use the same intellectual property as well.

11. Pre-existing rights

Any source code, data, expertise or information – regardless of its form or nature (tangible or intangible), including all related rights, such as intellectual property rights – that is in the possession of the Participants prior to the signing of the Participation Agreement and is designated by them as background knowledge or rights and is necessary for carrying out the Competition or the utilisation of the results of the Competition.

12. Sideground

Any data, expertise or information – regardless of its form or nature (tangible or intangible), including all related rights, such as intellectual property rights (“supplementary rights”) that arise during the term of the Competition, but not in the context of the Competition, and which is necessary for carrying out the Competition or the utilisation of the results of the Competition.

13. Results

Any tangible or intangible results, such as source code, data, knowledge or information developed or generated in the context of the Competition, regardless of its form or nature, whether it is protectable or not, and all related rights, including intellectual property rights

(“related intellectual property rights”, “foreground” or “intellectual property rights associated with the results”). For the avoidance of doubt, pre-existing Rights and Sideground do not become Results solely because they are necessary for the implementation of the Competition or the use of the Results.

14. Project

Performance of research and development services by a team, as specified in the offer or submission to participate in the Competition.

Section 3 Procedure and basics of the Competition

(1) The Competition is divided into two (2) Stages:

Stage 1: Patrol a defined area of dense maritime traffic and follow a specified surface target

- Stage 1 demonstrates how autonomous Maritime Situational Awareness (MSA) systems perform in defined monitoring and tracking scenarios under degraded environmental and operational conditions.
- In this first demonstration phase, the system will present its core capabilities under controlled conditions in the Baltic Sea (littoral waters) by tracking a specified surface target within a defined area with dense maritime traffic. The focus is on endurance (operational duration is not defined), navigation, collision avoidance, detection, time to decision, tracking and data transmission.
- At the end of Stage 1, **a practical demonstration takes place**. This involves an evaluation including practical validation. Demonstration mission:
 - Target engagement: Detect and track a specified surface target within the defined Baltic Sea area.
 - Anomaly evaluation and documentation: Assess, log and document a simulated suspicious activity in real time. Time from incident to detection (alert to the demonstration operator) and to correct decision to track will be measured.
 - Persistence and mission availability: Demonstrate sustained operation during the mission while maintaining navigation, sensing, communication, and safety functions.

Participation at the practical demonstration is mandatory and, in addition to the other criteria, relevant for the decision as to which teams will be included in Stage 2 of the Competition. Without participation, including a practical demonstration, admission to Stage 2 is excluded. If the Participant cancels at short notice without a valid, verifiable reason or does not attend the event, Vinnova is entitled to charge

the team for the costs incurred for the event and attributable to the team on a pro rata basis. A valid reason exists in particular if the cancellation is due to circumstances beyond the team's control and are reported to the organiser immediately.

- The first stage will start 01 February 2027, and is expected to end on 27 June 2027.
- The maximum order amount for this stage is €170,000 plus VAT, per participating team, to the extent that it is incurred.
- A minimum of eight (8) and a maximum of twelve (12) participants will take part in the first stage.
- The prerequisite for an invitation to the first stage is the jury's assessment that the Project proposed in the submission has potential according to the evaluation criteria in **Table 2: Evaluation criteria** in the **Call for Submissions**. The jury will rank the submissions according to the degree to which the selection criteria are met.

Stage 2: Patrol a defined area of dense maritime traffic and follow a suspicious surface or underwater target

- Stage 2 is the final phase of the Competition, in which operational use in complex deployment scenarios is validated. It will demonstrate how autonomous Maritime Situational Awareness (MSA) systems can react to unannounced suspicious surface and underwater activities under degraded environmental and operational conditions?
- In this stage, the system must operate in an escalated and less predictable mission scenario. The focus shifts to handling unannounced threat profiles, advanced multi-target collision avoidance, and the detection and tracking of both surface and underwater environmental or security threats. The system should provide information that supports rapid decision-making, including whether to continue observation, issue signalling, or notifying relevant authorities.
- At the end of Stage 2, the practical final demonstration takes place. This involves an evaluation including practical validation. Demonstration mission:
 - Target engagement: Automatically detect, identify, and track an unannounced, unknown suspicious target operating either on the surface or underwater.
 - Anomaly detection and documentation: Real-time detection and documentation of suspicious activity, simulated by unknown activities or

objects. Time from incident to detection (alert to the demonstration operator), and to correct decision to track will be measured.

Participation is mandatory. If the Participant cancels at short notice without a valid and verifiable reason or  does not attend the event, Vinnova is entitled to charge the team for the costs incurred for the event and attributable to the team on a pro rata basis. A valid reason exists in particular if the cancellation is due to circumstances beyond the team's control and are reported to the organiser immediately.

- The second stage is expected to take place from 28 June 2027 to 30 November 2027 .
- The maximum order amount of this stage is expected to be € 350,000 plus VAT, per participating team, to the extent that this is incurred.
- A minimum of five (5) and maximum of nine (9) participants take part in the second stage.
- The prerequisite for an invitation to the second stage is the jury's assessment that the Project, as proposed in the submission and demonstrated in the practical Stage 1 evaluation, has potential.

(2) With Vinnova's decision (**Annex B**), the Participant has been invited to participate in the first stage. By signing the present Participation Agreement, the Participant declares to participate in it in accordance with the present Participation Agreement.

(3) There is no entitlement of the Participant to be admitted to the subsequent stage of the Competition either on the basis of participation in the first stage or on the basis of the present Participation Agreement. In addition, the Participant is also not entitled to have stages subsequent to Stage 1 carried out. Vinnova will decide whether it is appropriate to execute the subsequent stage, among other things on the basis of the submitted solutions. Furthermore, neither on the basis of participation in the Challenge stages, nor on the basis of the present Participation Agreement or any continuation agreement, will the Participant be entitled to participate in the final event of the Vinnova Challenge.

Vinnova cannot continue the Competition itself or the subsequent stage, in particular if

- the minimum number of Participants is not reached;
- Vinnova does not have sufficient funds to appropriately conduct the Competition and the subsequent stages for budgetary or other financial reasons;
- the goal of the Competition has been achieved with the previous result of the Participant, or the development has already progressed so far that further implementation no longer constitutes research and development funding.

(4) If Vinnova decides to carry out second subsequent stage, the Participants recommended by the jury and selected by Vinnova will be invited to participate in the second stage. In this case, Vinnova and the Participant will agree in writing to participate in the second stage. If selected, the Participant is free to participate in this second stage. Vinnova remains at liberty to make changes to the provisions of the present Participation Agreement for the subsequent stage of the Competition. If the Participant is selected and agrees to participate in the stage, the present Participation Agreement will also apply to the subsequent stage, subject to future changes. Before the start of the second stage, Vinnova can schedule negotiations with the aim of improving the solutions. Part of the negotiations can be the entire content of the solutions, with the exception of any minimum requirements and evaluation criteria. The Participants then have the opportunity to adapt their approaches to solutions according to the outcome of the negotiations within the framework of the subsequent stage.

(5) Vinnova reserves the absolute right to change or adapt possible sub-criteria (and, if applicable, the associated time frame and other conditions) for the subsequent stage, provided that these amended or adapted criteria apply to all Participants. The Participant accepts and acknowledges this right of Vinnova without reservation.

(6) Vinnova reserves the unrestricted right to reopen the Competition for non-participating organisations if the Competition for the subsequent stage does not take place and/or if there is no satisfactory improvement in Vinnova's opinion. The Participant accepts and acknowledges this right of Vinnova without reservation.

Section 4 Remuneration and invoicing

(1) The Participant will receive remuneration in accordance with their offer, or in accordance with their submission for the subsequent stages of the Vinnova Challenge, plus VAT, to the extent that this is incurred. The remuneration covers all costs necessary for the provision of services. Subsequent changes cannot be agreed upon. The calculation risk is borne by the Participant.

(2) At the beginning of the first stage, the Participant will receive 50 % of the remuneration for the first stage. An additional 40 % will be paid out two months after the start of the first stage. The remaining 10 % will be received by the participant after submission of the final report of the first stage. Corresponding invoices must be sent by the Participant to Vinnova electronically and in accordance with the requirements set out below Point (3). The Participant is entitled to specify a different payment schedule with their offer or submission for the first stage if this is justified for objective reasons to be explained.

(3) Permitted electronic invoicing formats: Invoices shall be submitted using one of the following electronic formats:

a) Peppol BIS Billing 3 (preferred method)

Peppol BIS Billing 3 constitutes the standard invoicing method and applies to both Swedish and international Participants.

- Vinnova's Peppol ID: 0007:2021005216
- This method is particularly recommended for Participants established outside Sweden.

b) Svefaktura 1.0 (alternative for Participants established in Sweden only)

- Party ID: **2021005216** (Vinnova's organisation number)
- VAN operator: **Opus Capita**.

(4) The following payment schedule is provided for the possible second stage: In case of participation in the second stage, the Participant will receive 50 % of the remuneration for the second stage at the beginning of the second stage. A second instalment of 40 % will be paid out two months after the start of the second stage. The remaining 10 % of the stage is received by the participant after submitting the final report. Corresponding invoices must be sent by the Participant to Vinnova in accordance with section 4 (3). The Participant is entitled to specify a different payment schedule with their offer or submission for the second as well as the third stage if this is justified for objective reasons to be explained.

(5) If the Participant wishes to deviate significantly from the calculative basis of their remuneration in their offer or submission, they must inform Vinnova in advance. Corresponding invoices must be sent by the Participant to Vinnova in accordance with section 4 (3). Vinnova is entitled to deviate from the above payment plans in favour of the Participants and arrange payments to the Participant earlier on the basis of credit notes.

(7) Vinnova reserves the right to determine a different price cap for the second stage of the Competition.

(8) The Participant undertakes to use all support services granted by Vinnova on the basis of this Competition exclusively within the framework of this Competition (**appropriation**) and to provide Vinnova with proof of this upon request. In particular, it is not permissible within the framework of this Competition to use such support services that have been granted by Vinnova or by third parties on the basis of another Challenge without the prior written consent of Vinnova (**exclusion of double funding**).

(9) The Participant agrees to provide Vinnova with complete, relevant and clear information and evidence of the use of the sums paid by Vinnova upon request by Vinnova. The Participant is obliged to keep proper financial records in connection with the Competition for the entire duration of the Participation and for a period of three (3) years after the end of the Participation (in particular, proper accounting).

Section 5 Intellectual property

(1) The Participant remains the owner of all rights to the Results generated by the Participant. This includes the rights to the new content created by the Participant and, subject to the applicable ownership of such rights, the Participant's pre-existing rights and sideground IPRs that may be included in the Results or are essential for the functioning or use.

(2) The rights and obligations in respect of the results will be subject to the following provisions:

Management

15. The Participant will take all reasonable and necessary measures to ensure proper management of the results. The Participant must ensure that the results can be identified, recorded and carefully distinguished from the products of other research and development activities that are not covered by this Competition. The Participant is obliged to inform Vinnova of any circumstances and/or actions that are likely to lead to the insolvency, debt, payment default and/or insolvency proceedings concerning The Participant and that may materially affect the Participant's obligations relating to the Results under this Participation Agreement. This obligation shall apply during the term of this Participation Agreement and for a period of three (3) years after the termination. An application for insolvency proceedings concerning the Participant shall trigger an immediate obligation to inform Vinnova.
16. The Participant is entitled, but not obliged, to publish the results in scientific journals. In the case of publications, appropriate reference must be made to the cooperation with Vinnova.
17. The Participant is responsible for the management (including protection) of its own intellectual property rights (IPRs) – and bears the associated costs.
18. Vinnova is entitled to oversee the Participant's compliance with its obligations concerning the management of IPRs under this Participation Agreement.
19. The Participant will ensure that the security of protectable results is sufficiently examined before the results are published – and, where appropriate, applications for protection are filed with the concerned member state or the European Patent Office.
20. The Participant is obliged to preserve and maintain copies of the Results and all reasonably necessary related documentation for a period of (three) 3 years after the termination of the present Participation Agreement. At Vinnova's written request such Results and documentation shall be deposited under an escrow arrangement acceptable to Vinnova and the Participant. The deposited Results shall be specified in the escrow agreement.

The purpose of the escrow arrangement is to preserve the deposited material if the Participant, or any subcontractor holding the material, ceases operations, becomes insolvent or is otherwise unable to ensure that the material is preserved. The conditions for release of and access to the deposited Results shall be specified in the escrow agreement. Any access by Vinnova under the escrow arrangement shall be limited to control, documentation and follow-up under this Participation Agreement. Neither the deposit nor the release of the results shall transfer ownership of the Results or grant Vinnova or any third party any additional right to use, commercially exploit, transfer, license or sublicense the Results beyond the rights expressly provided for in this Participation Agreement.

21. Where Intellectual Property Rights in the Results are allocated to the Participant, the Participant shall grant Vinnova access to the Results for Vinnova's own use free of charge and shall grant third parties access to the Results under market conditions, for example through non-exclusive licences. Such access shall be subject to the protection of Pre-existing Rights, Sideground, trade secrets, personal data and security-sensitive information in accordance with this Participation Agreement.

The Participant shall remain responsible for the management and commercial exploitation of the Results and for agreeing any licence terms directly with the relevant third party. Vinnova shall not select licensees, negotiate licence terms or grant licences on behalf of the Participant.

These access rights shall not transfer ownership of the Results and shall not apply to Pre-existing Rights or Sideground except to the extent expressly provided for in this Participation Agreement.

22. The Participant must inform Vinnova in the final report of the respective stage of any actionable Results, regardless of whether they can be protected or not. The information submitted to Vinnova must include information on the content of the Results, the Participant's confirmation that they will be protected and the planned timeline for protection.
23. If the Participant decides not to protect the generated Results, the Participant must inform Vinnova of this and of the considerations on which its decision is based. This obligation also applies where the Participant must take action within a prescribed period in order to acquire or secure rights to an employee invention under applicable law.

Transfer of ownership

24. The Participant is entitled to transfer ownership of the Results, provided that this is not prohibited or restricted by public interest or security requirements (if applicable) and provided that the Participant ensures that its obligations (in relation to the Results) apply to the new owner, and that such new owner is obliged to pass on such

obligations in a subsequent transfer (e.g., by including a corresponding obligation in the agreements with the new owner).

The Participant must notify Vinnova at least 45 days in advance of its intention to transfer ownership of the Results; this notification must contain sufficient information about the new owner to enable Vinnova to assess the impact on Vinnova's access rights under this Participation Agreement.

Vinnova is entitled to object within 30 days of receipt of the notice if Vinnova can demonstrate that the transfer would adversely affect Vinnova's access rights under this Participation Agreement. If an objection is raised, the transfer may not take place until an agreement has been reached between the parties concerned. The Parties shall seek to resolve the objection without undue delay and shall not unreasonably withhold agreement on measures that adequately protect Vinnova's access rights under this Participation Agreement.

Nothing in this provision shall prevent normal commercialisation, licensing, investment or corporate development, provided that the rights and obligations under this Participation Agreement remain protected.

General provisions (fall-back provisions)

25. Results that are not IPRs are subject to the same rules as IPRs.
26. The Participant is obliged to take the above provisions (paragraph (2)) into account when making agreements with third parties, the Participant shall not enter into agreements that prevent or materially restrict the exercise of Vinnova's or third parties' rights under this Participation Agreement. In particular, they will undertake not to conclude any agreements with third parties that contradict the above regulations or restrict, complicate or frustrate the implementation of the resulting rights of third parties or Vinnova.

Part 2: Competition Objectives and Stages

Section 6 Competition objective

The aim of the Baltic Marine Watchdog Challenge is to develop, demonstrate, and validate fully autonomous systems for maritime surveillance, vessel tracking, documentation, and monitoring regarding safe navigation, environmental protection, maritime situational awareness, and critical infrastructure protection in demanding operational conditions. These systems must be able to autonomously patrol a defined sea area, identify and track vessels or other objects of interest, detect relevant anomalies, and maintain safe manoeuvring in real time.

We seek adaptive solutions that have maritime situational awareness, can autonomously classify and track objects and activities of interest, exchange relevant information, and operate effectively under adverse weather, darkness, dense maritime traffic, electronic interference, and GNSS-degraded conditions. The challenge progresses from controlled demonstrations to realistic field trials and ultimately to operational validation in complex multi-threat scenarios.

Solutions must integrate autonomous sensing, decision-making, endurance, documentation, and navigation into complete end-to-end capability. This includes multimodal sensor fusion, combining several technologies for surface and underwater awareness together with transparent decision logic, robust data transmission and seamless integration of detection, tracking, documentation and response-support functions.

Human override capabilities must always be available, and solutions must prioritise safety, accountability, operational resilience, and sustainability throughout all stages of the challenge.

Section 7 Objectives and reports regarding the individual stages

(1) Proof of performance occurs within the scope of two stages:

- **Stage 1** demonstrates patrolling an area of dense maritime traffic and following a specified surface target under controlled conditions in the Baltic Sea (littoral waters). The focus is on endurance (operational duration is not defined), navigation, collision avoidance, detection, time to decision, tracking and data transmission. The system must be autonomous.

At the **end of Stage 1**, teams are expected to demonstrate:

- Target engagement: Detect and track a specified surface target within the defined Baltic Sea area.
 - Anomaly evaluation and documentation: Assess, log and document a simulated suspicious activity in real time. Time from incident to detection and alert shall be measured.
 - Persistence and mission availability: Demonstrate sustained operation during the mission while maintaining navigation, sensing, communication, and safety functions.
- **Stage 2** test and validates patrolling an area of dense maritime traffic and following a suspicious surface or underwater target. The system must be autonomous.

At the **end of Stage 2** of the Challenge, teams are expected to demonstrate:

- Target engagement: Automatically detect, identify, and track an unannounced, unknown suspicious target operating either on the surface or underwater.
- Anomaly detection and documentation: Real-time detection and documentation of suspicious activity, here simulated by unknown activities or objects. Time from incident to detection and alert will be measured.

The basic prerequisite for demonstration is the safe autonomous operation of the system. It must not pose a danger to people, the environment, property, or other autonomous systems at the site. Every vessel must have safety measures to eliminate the risk of a run-away. This function must be proven before the start of operation. In addition, a kill switch that causes the vessel to lose propulsion must be implemented.

(2) For the period of their participation in the Baltic Marine Watchdog Challenge, the selected teams are obliged to submit an informal report on the progress of the development on the last day of each month. The report must be submitted electronically in accordance with Vinnova's submission instructions.

Reports may contain confidential or commercially sensitive information and must not be transmitted by ordinary e-mail.

If the report contains confidential or commercially sensitive information, the Participant is responsible for notifying Vinnova in advance by e-mailing challenge@vinnova.se. Upon such notification, Vinnova will provide the Participant with instructions for secure submission and make available an appropriate secure file transfer solution for the delivery of the report.

Vinnova reserves the right to provide further content requirements and templates.

(3) At the end of each stage, a report on the completed stage must be submitted.

The report will include:

- explanations of whether the objective described in the submission for each stage has been achieved,
- an overall description of the work carried out and a summary of the result,
- a list and brief description of the Results and identified intellectual property rights developed during the Stage, (including, where relevant, know-how, data, inventions, etc.),
- a list of publications, if applicable, as well as
- a proposed public summary prepared by the Participant describing Results and their significance, including key achievements and potential impact, which Vinnova

may use, shorten and adapt the text for communication, dissemination and reporting purposes, subject to confidentiality obligations, protection of protectable Results, data protection requirements, applicable security requirements and the Participant's legitimate commercial interests.

(4) The structure and content of the report for the respective stage must be independent of whether the Participant decides to apply for the second stage.

(5) The report must be submitted to Vinnova in digital form fourteen (14) days prior to the selection meeting for the next Stage, in accordance with Vinnova's submission instructions. Reports containing confidential or commercially sensitive information shall not be submitted by ordinary e-mail. In such cases, the Participant shall notify Vinnova in advance by e-mail to challenge@vinnova.se, after which Vinnova will initiate a Secure File Transfer (SFT) and provide a secure upload link and instructions. Vinnova will provide the Participant with further formal and content-related requirements and templates for the report in good time.

Section 8 Selection for the subsequent stages

(1) If the Participant decides to apply for Stage 2 of the competition, the following must be attached to the report for the first stage:

- a detailed work plan and indication of a project-specific goal for the next stage,
- the explanation of whether and to what extent the team composition has changed or will change,
- a price offer for the second stage.

(2) The selection will be made on the basis of the selection criteria and procedures communicated with the announcement of the Competition. Vinnova will communicate detailed requirements for the offer or submission to the subsequent stages to the Participant in good time.

Part 3: Rights and Obligations During Participation

Section 9 Cooperation

(1) Vinnova is entitled to observe the progress of the work at any time and to inspect all documents necessary for this purpose, including notes on materials and workload, and to monitor compliance with the technical regulations.

(2) If Vinnova provides the Participant with feedback, suggestions and other contributions (e.g., inventions) to promote the implementation of participation in the Competition, the Participant must take them into account to the furthest extent possible.

(3) The Participant agrees that Vinnova may forward the submission documents to relevant or other relevant third parties involved in the implementation or evaluation of the Competition, demonstration or other at the specific facility or site and subject to applicable confidentiality, data protection and security requirements.

(4) Non-discrimination: The Participant shall, throughout the term of this Participation Agreement, ensure that no discrimination or unequal treatment occurs in relation to employees, subcontractors or other partners on the grounds of gender, gender identity or expression, ethnicity, religion or belief, disability, sexual orientation or age.

(5) The Participant must provide all information requested by Vinnova regarding the implementation of the Participation Agreement and the utilisation of the Results at any time during the execution of the Participation Agreement and up to three (3) years after the termination of the Participation Agreement.

(6) Unless national regulations already prescribe longer retention periods, the Participant must keep original documents in connection with the Competition for a period of at least three (3) years after the termination of the Participation Agreement. Digital and digitised documents are considered originals unless national law requires physical documents. In the event of ongoing controls, reviews, audits, investigations, litigation/legal action or other pursuit of claims (including against Vinnova), the Participant must retain the records and other supporting documents related to the signing of the Participation Agreement until the end of these procedures.

(7) During the term of the Participation Agreement and for a period of ten (10) years after its termination or expiry, for whatever reason, the Participant will at all times provide all reasonable assistance in order to enable Vinnova to obtain the information necessary to comply with the obligations to provide information to national or supranational parliamentary, state, judicial or other administrative matters and/or to conduct an audit of the Participant's compliance with the present Participation Agreement, including all related activities, services, security and integrity.

(8) In consultation with the Participant, Vinnova is granted the non-exclusive right, in particular with regard to hardware and software prototypes, to present, demonstrate and exhibit Results to the public at Vinnova's events, reports, activities and publications.

Vinnova is entitled, without prior consultation, to refer to the public summary under Section 7(3), other information already made public, and information approved by the Participant for publication. Taking into account the principles of objectivity, impartiality and equal treatment may Vinnova also communicate relevant contact information or facilitate contacts between the Participant and interested stakeholders for the purpose of enabling

further dialogue, collaboration, validation, testing, procurement or commercialisation opportunities related to the Results.

Vinnova shall exercise its rights under this Section with due regard to confidentiality obligations, protectable intellectual property, trade secrets, data protection requirements, applicable security requirements and the Participant's legitimate commercial interests. The rights under this Section shall not transfer ownership of the Results or grant Vinnova any general right to commercially use, transfer, license or sublicense the Results.

Section 10 Termination during a stage by Participants

(1) If the Participant does not complete a stage of the Competition, does not participate in it or continue to participate in it, despite having made the corresponding declaration, the Participant must inform Vinnova immediately. In particular, a stage will be deemed not to have been completed if the report to be prepared in accordance with Section 7(3)-(5) has not been submitted, has not been submitted in full or has not been submitted in time, and/or the Participant does not participate in the practical demonstration (see Section 3(1) of the present Participation Agreement).

(2) Section 12(3) will accordingly apply.

Section 11 Conflicting intellectual property rights and applications for intellectual property rights

The Participant is obliged to notify Vinnova immediately of the property rights and IP applications that prevent the utilisation of the research and development Results, to the extent that these are not already listed in the offer documents. This is contrary to such property rights and applications for property rights of third parties that are necessary for the utilisation of the research and development Results. The Participant must state the conditions under which, in their opinion, use is nevertheless likely to be possible. This obligation only applies to the extent that the Participant has become aware of the conflicting property rights and IP applications.

Part 4: Miscellaneous

Section 12 Termination and contractual term

(1) The term of this Participation Agreement begins on **Insert start date.** , and is expected to end on **Insert end date.** , unless the Parties agree on its application for the subsequent stages. The termination of the Participation Agreement for any reason will not affect the provisions of Section 5 of the present Participation Agreement. Upon termination of this

Participation Agreement, the Participant shall provide Vinnova with the reports, supporting documents, data and other information reasonably necessary to verify that Vinnova has received the agreed deliverables for the relevant Stage and close the Stage, follow up the work performed and the use of the remuneration, conduct evaluations, controls, and comply with applicable legal, reporting and administrative requirements relating to the Competition, the relevant Stage or the use of public funds. The provision of such documents, data and information shall not transfer ownership of the Results or grant Vinnova any right to use the Results beyond the rights expressly provided for in this Participation Agreement.

(2) Vinnova is entitled to terminate the present Participation Agreement, in whole or in part, extraordinarily, including during an ongoing stage, if there is good cause. Good cause includes, in particular, the following circumstances:

- it eventuates that the Participant has provided incorrect information in their submission or that the conditions or requirements required by the Call for Submissions are not or are no longer met or being complied with;
- an application for insolvency proceedings is made in respect of the Participant or one of its subcontractors applies for the opening of insolvency proceedings against the assets of the Participant or one of their subcontractors and this application is not withdrawn within six weeks, or a provisional insolvency administrator is appointed, or the opening of insolvency proceedings is ordered or the opening of which is refused for lack of assets;
- in the cases referred to in Section 10 of the present Participation Agreement;
- the Participant fails to provide proper notification in accordance with Section 11 and nevertheless withdraws from the Competition;
- the Participant fails to provide proper notification in accordance with Section 4(6) or the deviations envisaged by the Participant are so significant that it is to be feared that the goal of the respective stage cannot be achieved;
- the Participant fails to comply with their obligation to submit reports, including the informal monthly report on the progress of the development referred to in Section 7(2), or does not participate in the practical evaluations upon request.
- the Participant seriously or repeatedly violates one of the obligations set out in the present Participation Agreement or its annexes, or fails to perform the services specified in the respective submission documents without Vinnova's consent or substantially changes them without Vinnova's consent;
- the Participant makes use of funding from Vinnova or any other public funding body for the same project and the work steps specified in their offer or submission;

- the Participant does not use the payments and support services granted by Vinnova in accordance with their offer or submission or, conversely, uses funds and support services granted by Vinnova on the basis of other projects and Challenge competitions within the framework of this Challenge.

(3) If Vinnova terminates the Participation Agreement for good cause, the Participant must repay the payments already received from Vinnova for the respective stage. To the extent that the Participant proves that the services provided up to the time of the extraordinary termination are not worthless for Vinnova in the respective stage, they are entitled to the remuneration attributable to the non-worthless part, insofar as this does not exceed any remuneration customary in the market. These services are not worthless, especially if they are used by other Participants of the Vinnova Challenge.

Section 13 Transfer of the contractual position

(1) A third party is entitled to replace the Participant following a corporate restructuring, including a takeover, merger, acquisition or insolvency of the Participant, provided that:

- the third party takes over the position of Participant in full and meets all exclusion, selection, compliance and minimum technical criteria and the succession does not entail any material change; or
- the third party consists of at least 90% of the staff of the Participant's relevant team and/or the lead inventor attributed to the conclusion of the agreement and fully complies with the exit criteria set by the Participant and attached to the present agreement. The Participant and the third party indemnify Vinnova against all claims by third parties in this regard.

The Participant shall also notify Vinnova without undue delay of any change of control that may materially affect the performance of this Participation Agreement, applicable exclusion, sanctions or security requirements, or the obligations relating to the Results. Such notification shall not in itself give Vinnova a general right to approve or prohibit the transaction.

(2) Any action by the Participant that violates the provisions of this paragraph is null and void.

Section 14 Liability

(1) Vinnova is not liable for damages of any kind to the Participant or third parties arising from participation in the Competition. During the term of the present Participation Agreement and up to a period of ten (10) years after termination or cancellation of the Participation Agreement, the Participant will fully indemnify and hold Vinnova harmless from all damages pursuant to sentence 1. For damages resulting from an infringement or

alleged infringement (including the defence against such alleged infringement) of intellectual property rights, the Participant will indemnify Vinnova if it is attributable to:

- a. the availability, provision, execution or use of the R&D services of the Participants (or any part thereof); and
- b. the Participant's failure to assume the responsibilities and obligations under the present Participation Agreement.

(2) Subsection (1) will not apply to damage to life, limb and health that is based on a negligent or intentional breach of duty by Vinnova's legal representatives, as well as to damages that are based on an intentional or grossly negligent breach of agreement or fraudulent intent on the part of Vinnova's legal representatives. Vinnova will only be liable for damages caused by simple negligence, to the extent that this negligence relates to the breach of such contractual obligations, compliance with which is of particular importance for the achievement of the purpose of the agreement (so-called cardinal obligations), insofar as the damages are typically associated with the present Participation Agreement and are also foreseeable.

(3) The Participant must maintain, when relevant and applicable, appropriate financial loss liability insurance and insurance covering personnel, equipment and transport, as well as any other insurance required under applicable law, by Vinnova or by the relevant test-site operator for the operation, testing and demonstration of the Participant's solution. Upon Vinnova's request, the Participant must present the corresponding insurance policy or other satisfactory evidence of insurance.

Section 15 Future Stage and Procurement Procedures

Participation in the Competition does not create any entitlement, preferential right or guarantee to participate in a subsequent Stage, receive any further development contracts, continue funding, or be awarded any future contract by Vinnova or another contracting authority.

Subject to the applicable eligibility requirements and evaluation criteria, the Participant may apply for subsequent Stage and participate in future procurement procedures. Participation in the Competition shall not in itself constitute grounds for exclusion from such procedures.

Subject to the applicable rules, eligibility requirements and evaluation criteria, the Participant may apply for subsequent Stage of the Competition and may participate in future procurement procedures. Participation in the Competition shall not give the Participant preferential treatment in any subsequent procurement or in the commercial provision of final products or services.

Section 16 Evaluations

If necessary, the Participant participates in evaluations that are carried out by Vinnova itself or commissioned or approved by it.

Section 17 Written form, place of jurisdiction, choice of law, severability clause

(1) The signing of the present Participation Agreement is deemed legally effective by either party in writing or in electronic form. The same applies to changes and additions to the present Participation Agreement or its annexes. This also applies to the waiver of the aforementioned formal requirement. A signature using electronic signature services must at least meet the requirements for an advanced electronic signature within the meaning of the eIDAS Regulation (EU Regulation 910/2014), be provided with a time stamp and indicate a subsequent change in the data (e.g. Scrive, Skribble or DocuSign). Each party will receive a full copy of the present Participation Agreement. The delivery of the completed copy by e-mail or via an electronic signature system has the same effect as the delivery of an original in paper form. No verbal ancillary agreements to the present Participation Agreement were made.

(2) This Participation Agreement shall be governed by and construed in accordance with Swedish law, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods¹. Any dispute arising out of or in connection with the interpretation or application of this Participation Agreement shall, in the first instance, be settled through negotiations between the Parties. If the Parties fail to reach an amicable settlement within two months after raised dispute, the dispute shall be submitted to the Stockholm District Court (Sw. Stockholms tingsrätt).

(3) Should individual provisions of the present Participation Agreement be invalid or unenforceable, the validity of the remaining Participation Agreement will not be affected. The invalid or unenforceable provision will be replaced by the effective and enforceable provision whose effect comes closest to the economic objective of the invalid or unenforceable provision. The above provision will apply mutatis mutandis in the event that the present Participation Agreement proves to be incomplete.

(4) The rights granted by the Participant to Vinnova within the framework of the present Participation Agreement shall generally remain in force for a period of three (3) years after the termination of the Participation Agreement, unless expressly provided otherwise.

¹ [United Nations Convention on Contracts for the International Sale of Goods \(Vienna, 1980\) \(CISG\) | United Nations Commission on International Trade Law](#)

– Annexes –

*****Signature page to follow*****

Signature page

Vinnova	Participant
In, on	[In ...], on _____
_____	_____