

Funding Agreement

between

KSB Stiftung, Stuttgart, business address: Lamsheimer Straße 34, 67227 Frankenthal, Germany represented by its executive board

- hereinafter known as KSB Stiftung -

and

XXXXX

- hereinafter known as the Funded party -

- hereinafter known collectively as Parties -

Preamble

KSB Stiftung is an incorporated foundation having legal capacity governed by the law of the Federal Republic of Germany. The objective of the foundation is to promote science and research as well as education. The foundation is recognised as being a charitable organisation in accordance with the German tax-law regulations.

Section 1 Subject-matter of the contract

1. The Funded party shall carry out a research project called

XXXX

XXXXXXX.

The research results will be made accessible to the public.

2. The project shall be managed at KSB Stiftung under No. XXXXXXXXXXXXXXXX. This designation is to be quoted in all correspondence.

3. With regard to the details of the project, reference is made to the application dated XX.XX.XXXX submitted by the Funded party together with all enclosures thereto. The application shall constitute an integral part of this contract.

2

Carrying out the project

1. The Funded party shall take up the agreed work straightaway after the contract comes into force. It shall inform KSB Stiftung of its bank account details when the contract is signed.
2. Without having to be asked to do so, the Funded party shall keep KSB Stiftung informed of the progress made on project work and the results of said work hitherto in a written interim report by the 30 September of the year following the year in which the funding application is made. Should a follow-up application have been submitted for more funding by this point in time, and if further funding is approved, the subsequent interim report shall have to be submitted by 30 September of the following year. KSB Stiftung shall have a final report submitted to it together with proof of expenditure without having to ask for them no later than 2 months after the project has ended. Publications produced in the course of project work are to be enclosed together with the reports, preferably as .pdf files.
3. Should, during the course of the project work, significant modifications to individual project stages become necessary, or should there be a change in economic conditions having an impact upon the content of, costs of, or time required for, the funded project, the Funded party shall inform KSB Stiftung of this in writing straight away. KSB Stiftung shall reserve the right to serve extraordinary notice of termination on the contract for an important reason and demand the repayment of funding disbursed to the Funded party, if as a result of the changed conditions, the project aims are at risk.
4. The Funded party may only sub-contract work out to third parties to carry out the work provided for by this contract to the extent that it is guaranteed that, as a result of such sub-contracting the work to be carried out and the objectives of said work is not amended as a result thereof and that the charitable status of the funded project is not called into question as a result. In particular, the conditions for the scheduled replacement of material or research results with co-operation partners as well as the publication, or relevant research results, is to be regulated so that they comply with the stipulations of this contract.

Section 3 Amount of funding

1. KSB Stiftung shall fund the project with
EUR (in words: Euro xxxxxxxxxxxxxxxxxxxxxxxx)
2. Funds disbursed to the Funded party, but not used, are to be refunded to KSB Stiftung straightaway (Bank account details: ODDO BHF, IBAN: DE42 5002 0200 0000 0253 95).
3. The funds shall be ringfenced for the purposes for which they are intended, and proof of this must be submitted. The express prior consent of KSB Stiftung is to be obtained for each modification in intended use differing from that specified in the submitted documents.
4. The return of the funds plus statutory interest may be demanded (Section 288 BGB) if one of the reasons named in Section 8 Para 1 is extant. Section 314 Para 2 BGB shall not apply.

Section 4 Terms of payment

KSB Stiftung shall pay the approved amount of funding to the Funded party in one sum at the beginning of the project. The Funded party shall not need to make a separate request for the payment of the funding.

Section 5 Proprietary rights, Commercial use, Publications

1. The objective of the funded research work is expressly not to achieve patents or other industrial property rights.
2. Should, however, in the course of conducting the research work inventions be made, the Funded party shall consequently be entitled to them. The Funded party may file applications for patents or comparable proprietary rights for them. If it fails to do so, KSB Stiftung shall be entitled to apply for such patents, or comparable proprietary rights. KSB Stiftung is to be informed at an early stage if applications are to be made for proprietary rights.
3. KSB Stiftung is to be notified straightaway if financial profits accrue as the direct result of funding. KSB Stiftung may demand that part, or all of the funding is repaid from such profits.
4. The Funded party shall be both entitled and obliged to allow the general public access to the results of its research. Number 10 of the approval conditions is to be observed.

Section 6 Diligence

1. When carrying out the project, that level of diligence is to be taken for the work as required for the work to be carried out properly to achieve the sought-after result. The Funded party shall be responsible for ensuring compliance with the applicable statutory regulations, official instructions and health and safety regulations. He shall undertake to abide by rules and procedures widely regarded as being standard principles, such as, for example, good scientific practice.
2. The Funded party shall not furnish any warranty that the work results will be of economic use.

Section 7 Liability

1. KSB Stiftung shall not accept any liability for damages incurred as a result of force majeure.
2. KSB Stiftung only has unlimited liability for intent and gross negligence. In the event of

a breach of important contractual duties, KSB Stiftung can also be held liable for ordinary negligence. In this case the obligation to pay compensation shall be limited to the foreseeable damages typically occurring. By important contractual duties, also known as cardinal duties, is to be understood those duties which make it possible for the contract to be carried out properly in the first place and upon the fulfilment of which the Funded party should be able to rely. KSB Stiftung shall not recognise any other liability to pay compensation for damages.

3. KSB Stiftung cannot be held liable for consequential damages, indirect damages and lost profit, unless these are attributable to intent or gross negligence on the part of KSB Stiftung.

4. KSB Stiftung cannot be held liable for damages incurred by the Funded party, its employees or third parties as a result of the funded project being carried out. The Funded party shall indemnify KSB Stiftung, should it be made liable for such damages.

5. The above limitations and exclusions of liability shall also apply for the benefit of the legal representatives, executive bodies, salaried staff, employees and assistants working for KSB Stiftung.

6. The above limitations and exclusions of liability shall not apply for the death, personal injury and physical harm, or in the event that a guarantee is furnished, or if KSB Stiftung can be held liable under the German Product Liability Act.

Section 8 Termination

1. The contract may only be terminated by the Parties with immediate effect for an important reason. An important reason substantiating immediate notice of termination being served by KSB Stiftung will be extant in the following cases:

- repeated or serious non-compliance with the conditions which have to be satisfied for approval to be granted;
- the use of funds for purposes other than those for which the said funds were provided;
- repeated or serious non-fulfilment or poor fulfilment of the reporting duties,
- withdrawal of the Funded party's charitable status;
- breach of other important contractual duties;
- obtaining the promise of funding by making statements which are untrue in important aspects or which are incomplete, and;
- failure to take up the agreed work within six months from the conclusion of the funding agreement.

2. Section 314 Para 2 BGB shall not apply.

3. Notice of termination must be served in writing, i.e. in writing or text format (e.g. letter, e-mail, fax message).

Section 9 Data protection

The following conditions shall apply for processing personal data as part of this contract:

1. While they are working together, both Parties shall undertake to comply with the data protection laws applicable, in particular the regulations of the General Data Protection Act [GDPR] and the German Federal Data Protection Act [BDSG], and only to use all personal data for the purposes of carrying out this contract.
2. Each Party acting as a responsible body within the meaning of Article 4 No 7 GDPR is, and shall remain, responsible for preserving the rights of the persons concerned including the information which has to be furnished to the persons concerned in accordance with Articles 13, 14 GDPR about how their personal information is processed.
3. Both Parties have taken appropriate technical and organisational security measures in compliance with GDPR and the data protection laws in force to protect the personal data processed in the course of this contract against unintended or unlawful destruction, accidental loss, amendment, unauthorised access, use and/or disclosure.

Section 10 Coming into force of the contract

The contract shall come into force after it has been signed by both Parties. It shall end when the funded work has been completed and all reporting duties have been fulfilled.

Section 11 Severability clause

Should individual provisions of this contract be partly or completely void, or become partially or completely invalid, or void, as a result of a change in legislation, or as a result of precedents set in the highest courts of Germany, or by other means, or should this contract be incomplete, the Parties shall consequently agree that the remaining provisions of this contract shall not be affected as a result and shall remain valid. Insofar as provisions have not become integral parts of the contract are invalid, the content of this contract shall be determined by the statutory regulations.

Section 12 Miscellaneous

1. The May 2020 version of the conditions which have to be satisfied for approval to be granted by KSB Stiftung (**Appendix 1 to this contract**) shall constitute an integral part of this contract.
2. The data protection statement made by KSB Stiftung is attached to this contract as

Appendix 2.

3. All disputes arising from, or in connection with this contract shall be governed by the law of the Federal Republic of Germany.

4. At the point in time at which this contract is concluded there are no verbal side agreements to it. After the contract has been concluded, amendments and/or supplements to the contract must be made in writing for the purposes of establishing legal security. A fax message shall satisfy the requirement for written form. On the other hand, electronic format (in particular e-mail) shall not satisfy the requirement for written form unless it is expressly agreed elsewhere that e-mail is acceptable.

Frankenthal, dated xx.xx.xxxx

.....
(XXX)

.....
(KSB Stiftung)