FUNDING AGREEMENT

between

THE UNIVERSITY OF STUTTGART

established in Keplerstr. 7, 70174 Stuttgart, Germany,

represented by its Chancellor Anna Steiger, ("**the University**")

and

«PARTNER_LEGAL_NAME»

established in «legal address»

represented by «name of representative», ("**Partner 1**");

and

«PARTNER_LEGAL_NAME»

established in «legal address»

represented by «name of representative», ("**Partner 2**");

each a "**Party"** and together "**the Parties"**.

RECITALS:

A. The University is the coordinator of a multi-partner project entitled "**FFplus – Fortissimo Plus**", which project, pursuant to the Grant Agreement number 101163317 between the European High-Performance Computing Joint Undertaking ("**the JU**") and the partners participating in FFplus, ("**the FFplus Partners**"), has been funded under the European Community's Digital Europe Programme;

B. Under, and as a project goal of FFplus, there is reserved an amount of grant funding to be distributed to eligible projects which have applied for and been awarded funding pursuant to open calls issued in the name, and pursuant to the project goals, of FFplus;

C. **The Partners** (main participant – SMEs – and supporting participants) are part of a consortium of partners, (collectively "**the Consortium**" or the "**Partners**" or the "**Consortium Partners**", and individually, each a "**Partner**" or a "**Consortium Partner**"), which Consortium has submitted a proposal responding to the third open call, entitled "**Third call for business experiments addressing the uptake of HPC by SMEs**", identifier "**FFplus_Call-3-Type-1**" requesting funding for/towards the project entitled "**«Business Experiment_name»**", ("**the Experiment**"), which Experiment, having been approved in accordance with the internal management process of FFplus, is now subject to receipt of an award of funding pursuant to this Funding Agreement, ("**the Award**");

D. It is a requirement of the Award that the Partners, as members of the Consortium, shall enter into this Funding Agreement in order to obtain Funding from FFplus for the purposes of conducting the Experiment.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

1.1 The terms already defined above shall be deemed to have been incorporated into this Funding Agreement. In addition, the terms below shall be interpreted as follows:

"Experiment" means the project described above, as more particularly detailed in the Proposal, (as defined hereunder), being a discrete, business-relevant project activity designed to solve a business challenge, using advanced European HPC services and technologies to be undertaken by the Consortium.

"**Main participant**" is an SME (or a Start-up) that defines the business challenge being addressed in the Experiment.

"**Supporting participants**" are organisations supporting the main participant to complete activities foreseen for the Experiment.

"**FFplus Consortium Agreement**" means the agreement concluded in writing amongst the FFplus Partners, detailing their respective rights and obligations regarding the implementation of FFplus.

"**Proposal**" shall mean the proposal submitted by the Consortium (main and supporting participants) to FFplus Call-3-Type-1, seeking an award of funding, which Proposal is attached to this Funding Agreement as Part 1 of the Annex.

"**Funding**" shall mean the funding, as more particularly detailed in the Proposal, payable by the University to the Partners under and in accordance with this Funding Agreement.

"**Annex**" shall mean the Annex, in 3 Parts, annexed to, and which shall be deemed incorporated into, this Funding Agreement. The Annex contains those provisions of the FFplus Consortium Agreement (Part 2 of the Annex) and the FFplus Grant Agreement (Part 3 of the Annex) necessary with direct relevance for this Funding Agreement.

"Grant Agreement" means the Agreement between the European High-Performance Computing Joint Undertaking ("JU") and the University for the project "Fortissimo Plus" ("FFplus").

2. THE EXPERIMENT

2.1 The Consortium agrees to undertake the Experiment as the same has been specified in the Proposal and in accordance with the requirements of this Funding Agreement. Any and all changes to proposed work or budget as described in the Proposal need a prior technical evaluation by the FFplus management and written consent of the University.

2.2 An excerpt from the FFplus Consortium Agreement is attached to this Funding Agreement as Part 2 of the Annex. That excerpt includes all provisions relevant to the receipt of Funding by the Consortium Partners under this Funding Agreement. The Partners shall comply with the terms of the Funding Agreement, as if the Project (as referred to in the FFplus Consortium Agreement), was the Experiment, and as if the

Consortium Partners were the original signatories of the FFplus Consortium Agreement, so that the Consortium Partners shall, in relation to the Experiment be bound *mutatis mutandis* in the same terms as are the FFplus Partners in relation to FFplus. In case of contradictions between the Funding Agreement and the FFplus Consortium Agreement excerpt, the Funding Agreement takes precedence over the FFplus Consortium Agreement excerpt.

Although the Consortium Partners shall have no direct contractual relationship with the JU, by virtue of this Funding Agreement and specifically this Clause 2.2, they shall be deemed bound to the University in the same way as the FFplus Partners are bound to the JU by virtue of their direct accession to the Grant Agreement, This ensures that equivalent and consistent provisions are in place for the expenditure of JU grant funding, in line with the terms set out in Part 3 of the Annex. This equivalence shall not apply to indirect costs which are not considered as eligible costs pursuant to this Funding Agreement (as mentioned in art. 6.2 lett. E) of the Grant Agreement).

2.3 Publicly available results

2.3.1 The Partners agree that all results covered by section 2.3.2 will be made publicly available.

2.3.2 The Partners commit and agree to the provision of information and data required for the production of public success stories relating to the Experiment covered by this agreement, including a website article, an e-flyer and a booklet article. Such information and data include, but is not limited to, the following:

a) Content of success stories written using dedicated document templates and guidelines provided by the FFplus Partners.

b) Media content: At least four high-quality images of the Experiment in high resolution (min 1200x800 px), .jpg or .png format, landscape position (team image, team at work, simulation/LLM model wireframe or screen, final product/service).

c) At least 2 short videos/animations produced during the execution of the Experiment in full-HD, min 1920x1080 px, .mp4 format, 30-60 fps, landscape position, introducing simulation/product development, LLMs visualisation/graphic/model).

d) Information about the organisations involved in the Experiment, including: role of Experiment partners (end-user, Software provider, domain or HPC expert, HPC provider), country of end-user, name of the software used, name of the industrial sector, suitable high-resolution logos, trademarks, short company description and names/functions of key persons.

The Partners consent to the use of all information and data for the purpose of project dissemination on a wider level, also beyond the project framework and lifetime, in different kinds of publications, newspapers, magazines and other print media, or electronic media (including the Internet), and/or in mailings for educational and awareness purposes.

2.4 The Partners allow the University to forward the Proposal to the members of FFplus Work Package 3 “Experiment and Innovation Studies Oversight” (being employees of the FFplus Partners SCAPOS, ARCTUR, CINECA, CESGA, TERATEC,

CYFRONET and USTUTT). The purpose is to facilitate the effective support and management of Experiments and to ensure that the Experiments proceed according to their objectives during the execution of the Experiment's work plan.

2.5 Each Partner represents and warrants to the University that there are no legal, contractual, intellectual property, export control or other impediments that would prevent the University from using, publishing and disseminating the information, data and materials provided by the Partner in accordance with the provisions set forth in points 2.3.2 and 2.4. and that the Partner has obtained all necessary rights and authorisations to permit such use and publication without infringing any legal obligation or third-party rights.

2.6 The Partners represent and warrant that all information and/or data that they shall make available to the University according to art. 2.3.2 shall be anonymous data or previously and irreversibly anonymised data (in such a way that it is not possible to identify and/or trace back to the data subject) as indicated in recital 26 of Regulation (EU) 2016/679 (the "GDPR") and, consequently, no Personal Data, as defined under applicable data protection legislation, shall be included in such data provision. Notwithstanding the foregoing, should any Partner deem it necessary to provide Personal Data for complying with its obligations under art. 2.3.2 above, such Partner shall first notify the University and the Parties shall enter into such data processing agreement as may be required under applicable data protection legislation before any such Personal Data may be disclosed or processed.

2.7 Each Partner undertakes to hold harmless and indemnify the University from and against any third party's claim, demand, damage, loss, cost or expense (including reasonable legal fees and any administrative sanctions or fines imposed by competent authorities) that may arise from or be connected to such Partner's breach of articles 2.5 and 2.6 above.

2.8 Experiment Reporting

2.8.1 Besides monthly updates for monitoring, the Experiment partners will submit technical progress reports to the FFplus management at Month 5, Month 10 and a final report at the end of the Experiment. An additional technical progress report up to Month 13 might be requested should the progress up to Month 10 be assessed as unsatisfactory. A template will be provided, and the technical progress reports will cover results, challenges, risks and data management.

2.8.2 The Partners will duly submit their financial reports at Month 6 and at the end of the Experiment to the University, using the template provided. The financial report will cover all costs and must contain a breakdown of purchase and travel costs.

2.8.3 The Experiment will commence on August 1st, 2027. The Experiment will run for 15 months or until the end of the FFplus term, whichever point in time is earlier.

2.8.4 Consortium Partners acknowledge that the attendance to project meetings (e.g., initial Kick-Off, Monitoring Meetings) is mandatory.

2.9 Compliance

2.9.1 The Partners shall ensure that the Experiment is executed in full compliance with all applicable laws and regulations, in particular the European Data Act and the Artificial Intelligence Act.

2.9.2 The Partners shall ensure that activities involving AI systems under this Funding Agreement do not constitute practices prohibited under Article 5 of Regulation (EU) 2024/1689 (AI Act). The Partners acknowledge that, pursuant to Article 2(8) of the AI Act, the Regulation does not apply to research, testing, or development activities regarding AI systems or AI models prior to their being placed on the market or put into service, provided that such activities are conducted in accordance with applicable Union law. This exclusion does not extend to testing in real-world conditions.

2.9.3 Where an AI system qualifies as a high-risk AI system under the AI Act, the Partners shall ensure compliance with the applicable requirements of the Regulation prior to its placing on the market or putting into service.

2.9.4 In case of uncertainty as to the applicability of the AI Act or the qualification of a given activity, the Partners shall suspend the relevant activity pending appropriate legal assessment, to be obtained by the concerned Partner from a legal expert of its own choosing.

2.9.5 Each Partner undertakes to hold harmless and indemnify the University from and against any third party's claim, demand, damage, loss, cost or expense (including reasonable legal fees and any administrative sanctions or fines imposed by competent authorities) that may arise from or be connected to such Partner's breach of this article.

3. THE FUNDING

3.1 It is a condition of the Award, and consequently any payment of Funding, that each Consortium Partner shall have signed this Funding Agreement. The University shall be under no obligation to the Partner or to the Consortium unless and until this Funding Agreement has been signed in accordance with the requirements stipulated by the University.

3.2 Experiment Partners should use EuroHPC systems provided under the EuroHPC JU access schemes for the work, which services are provided free of charge. The use of free nationally provisioned HPC resources is considered equivalent. In exceptional circumstances and if suitably justified, the use of third party commercial HPC resources or the use of resources provided by an organization, such as an HPC centre, included in the project consortium as supporting partner, is permissible. The provision and cost of charged HPC resources by a supporting partner must be based on actual costs and not commercial rates. These costs have to be included in the Experiment’s budget as “other direct costs” of the partner providing the HPC resources to the Experiment consortium.

3.3 The budget for the Experiment has been included within the Proposal, along with the allocation amongst the Consortium Partners (main and supporting participants). The maximum amount of the Funding may not exceed EUR 150 000 for each Partner (in

case of supporting participants, over all experiments in which they participate) and EUR 200 000 for the whole Consortium.

3.4 The payment of the Funding shall be deemed a grant and accordingly no VAT, unless it is non-deductible or non-refundable, or other purchase/sales or other tax shall be payable. The Funding is a maximum commitment and in no circumstances shall any further amount be payable, other than as expressly approved in advance, in writing, by the University. In case that it subsequently turns out that the Funding was subject to taxation, the Partners bear the tax liability.

3.5 The Partners shall be accountable to the University in relation to the Funding. The University shall be entitled to seek a breakdown of expenditure incurred and for which payment has been made by the Partners, to ascertain/ensure, (as the University shall determine in its sole discretion, although acting reasonably and in good faith), that the Partners have expended all Funding in accordance with the Proposal and the requirements of, or as are referred to in, this Funding Agreement. For the avoidance of doubts, indirect costs are not eligible under this Funding Agreement.

3.6 The Funding will be paid by the University to the Partners, (which will provide the University with appropriate banking details to enable electronic transfer), in three instalments. The first tranche – or the pre-financing – of 30% shall be paid without undue delay the Partners signature of this Funding Agreement, provided that, as aforesaid, all Consortium Partners shall have signed this Funding Agreement. The second payment, bringing the total payment to no more than 90% of the maximum grant amount, shall be made without undue delay upon submission and acceptance of the Month 6 financial report provided that there is appropriate evidence (as the University shall determine in its sole discretion, although acting reasonably and in good faith), that the Consortium Partners have properly provided the deliverables required until M6 of the Experiment. The final payment shall be paid without undue delay after the University has received the final payment from the EuroHPC JU – provided that the final financial report has been submitted by the Partners at the end of the Experiment and approved by the University, as well as upon appropriate evidence.

3.7 For supporting participants, only engineering activities are eligible for funding. Activities such as business consultancy, marketing initiatives, administrative tasks, and other non-engineering activities are not eligible for funding.

3.8 In case the Partners receive excess or undue payment, the Party has to return the relevant amount to the University without delay.

3.9 The University may, by written notice stating the reasons, suspend or terminate further payments under this Agreement in the event of a material breach by the Partner(s) of their obligations under this Agreement, as determined by the University acting reasonably and in good faith. Any suspension shall remain in effect until the breach has been remedied to the University's reasonable satisfaction. Where the breach is not capable of remedy or is not remedied within the period specified in the notice, the University may terminate this Agreement in accordance with Article 5. This is without prejudice to any other rights or remedies available to the University.

3.10 Each Partner shall promptly inform the University without undue delay, if during the implementation of the Experiment it no longer meets any of the eligibility requirements of the "Third call for business experiments addressing the uptake of HPC by SMEs", or undergoes a significant change in its legal or ownership structure (including a change of control, merger or acquisition). The University, after consulting the JU, will assess whether the financial support may continue. Pending that assessment, it may suspend payments. Where continuation is not feasible, it may terminate this Agreement and request reimbursement of any amounts unduly paid.

4. OBLIGATIONS UNDER THE GRANT AGREEMENT

4.1 The Partners have to comply with the rules regarding grant and eligible and ineligible costs according to Articles 5 and 6 of the FFPlus Grant Agreement and according to the eligibility conditions set up under the section "Funding, Eligibility Criteria & Obligations" in the Call Announcement, identifier FFplus-CALL3-Type-1.

4.2 The Partners are subject to the audit rights of the JU, the European Commission/Agency, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF). They have the right to carry out checks, reviews, audits and investigations on the Partners according to Article 25 of the Grant Agreement.

4.3 The JU and the European Commission/Agency shall have the right to carry out interim and final evaluations of the impact of the action at the Partner's offices according to Article 26 of the Grant Agreement.

4.4 As regulated in Article 12 of the Grant Agreement the Partners have the obligation to avoid conflict of interests.

4.5 The Partners are bound by the confidentiality provisions as mentioned in Article 13 of the Grant Agreement.

4.6 The Partners are also bound by:

- the ethics provisions as mentioned in Article 14 of the Grant Agreement;
- the visibility provisions as mentioned in Art. 17.2 of the Gran Agreement;
- the specific rules for carrying out the action as mentioned in Art. 18 of the Grant Agreement;
- the general information obligations as mentioned in Art. 19 of the Grant Agreement;
- the record keeping as mentioned in Art. 20 of the Grant Agreement;

4.7 The liability provisions in Article 33 of the Grant Agreement and Articles 5.1, 5.2 and 5.3 of the FFplus Consortium Agreement also apply for the Partners.

4.8 The University is entitled to verify compliance with the provisions of this Section 4 in conjunction with the relevant articles of the Grant Agreement. In case of breach of these obligations, the University may take appropriate action to reduce the Funding or terminate the participation of the Partners.

4.9 In case of non-compliance with the rules of Articles 5 and 6 of the FFplus Grant Agreement, the Partners will indemnify the University against any and all claims regarding their grant and their eligible and ineligible costs.

5. TERMINATION

5.1 This Funding Agreement or the participation of one or more Partners may be terminated by the University, by written notice to the affected Partner(s):
(i) with immediate effect, if the Funding is not used for the purposes of the Experiment; or
(ii) in any of the following cases, as determined by the University acting reasonably and in good faith:

(a) a material breach by the Partner(s) of the obligations set out in this Funding Agreement, having regard, among other things, to the seriousness of the breach, its actual or potential impact on the Experiment and on the University, the conduct of the Partner(s) concerned, and whether the breach is capable of remedy;
(b) failure by the Partner(s) to achieve the objectives of the Experiment;
(c) the occurrence of the circumstances referred to in Article 3.9, 3.10 and 5.2, where the University has determined, following the assessment provided for therein, that the financial support cannot continue.

In the cases referred to in point (ii), termination shall take effect either immediately or at the end of a reasonable notice period specified in the termination notice. Where a notice period applies and the breach, circumstance or failure is capable of remedy, the University may require the Partner(s) to remedy it within that period. If it is not remedied to the University's reasonable satisfaction by the end of the notice period, termination shall take effect on that date; otherwise, the termination notice shall be deemed withdrawn.

5.2 For the avoidance of doubt, the Consortium Partners are jointly and severally liable for technical completion of the Experiment. The financial obligations attached to the grant remain separate and individual for each Partner. Therefore, the technical responsibilities of each Consortium Partner cannot be seen in isolation. Accordingly, (and again for the avoidance of doubt), where the University shall terminate the participation of any one Consortium Partner within the Study, although this Funding Agreement remains in force and the other Consortium Partners shall be entitled to request that the Study continues on the basis that it can be completed in accordance with the Proposal and within funding budget, the University nevertheless reserves the right to voluntarily terminate this Funding Agreement where in the opinion of the University, (as the University shall in its sole discretion determine, acting at all times reasonably and in good faith), the continuance of the Experiment no longer remains feasible.

5.3 In the event of termination of this Funding Agreement or the participation of one or more Partners pursuant to Clause 5.1 or 5.2, the University shall be entitled to recover from the Partners any part of the Funding which has not been spent or which

the University shall, acting reasonably and in good faith as aforesaid, deem to have been misspent by the Partners.

5.4 Further, where this Funding Agreement shall be terminated in any circumstance above listed, the University shall reimburse the Consortium Partners for any costs and/or expenses, properly incurred and which would have been reimbursable according to this Funding Agreement.

6. MISCELLANEOUS

6.1 This Funding Agreement may be amended only by written agreement between the Parties.

6.2 Neither Party shall be entitled to assign any of its rights or obligations under this Funding Agreement without the prior written consent of the other.

6.3 Any reference in this Funding Agreement to the provision of a notice in writing shall include the provision of a hard copy notice and the provision of notice by electronic mail, (provided proof of despatch to an appropriate address), with, in either case, clear reference to this Funding Agreement and the Experiment.

6.4 This Funding Agreement becomes effective when signed by the University and the Partners. An electronic version of the signature is acceptable.

6.5 This Funding Agreement shall be interpreted in accordance with the law of Germany. The place of jurisdiction for any dispute arising out of or in connection with the Funding Agreement shall be Stuttgart, Germany.

6.6 This Funding Agreement prevents the participation of the main participants in the subsequent Fortissimo business experiment calls.

7. This Funding Agreement reflects standardised terms developed to ensure compliance with the requirements of the FFplus Grant Agreement and to guarantee equal treatment of all funded entities, including SMEs. These uniform conditions are designed to maintain transparency and compliance with applicable FFplus Grant Agreement terms and conditions. Minor, non-material administrative modifications may be considered only where strictly necessary for implementation purposes and where they do not affect the core principles of equal treatment and regulatory compliance.

IN WITNESS WHEREOF this Funding Agreement has been executed by the Parties as follows:

On behalf of the University of Stuttgart

_____

(Signature – Authorised signatory)

_____

(Name of signatory)

_____

(Date of signature)

On behalf of «Partner_legal_name»

_____

(Signature – Authorised signatory)

_____

(Name of signatory)

_____

(Date of signature)

On behalf of «Partner_legal_name»

_____

(Signature – Authorised signatory)

_____

(Name of signatory)

_____

(Date of signature)

ANNEX

This is the Annex, in 3 Parts, referred to in the foregoing Funding Agreement between the University of Stuttgart and «Partner_legal_name».

Part 1 – The Proposal

Part 2 – Excerpt of the FFplus Consortium Agreement

Part 3 – Excerpt of the FFplus Grant Agreement