SIM SBO PROJECT AGREEMENT

This SIM SBO Project Agreement (the "**Project Agreement**") is entered into on [DATE] (the "**Effective Date**") by and between the following parties:

PARTY 1, having its offices at [address], duly represented by [name + title] ("[Party 1]"); and

PARTY 2, having its offices at [address], duly represented by [name + title] ("[Party 2]"); and

PARTY 3, having its offices at [address], duly represented by [name + title] ("[Party 3]"); and

PARTY 4, having its offices at [address], duly represented by [name + title] ("[Party 4]").

Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Program Framework Agreement (as defined hereinafter).

RECITALS

WHEREAS, the parties hereto have jointly with other legal entities submitted a proposal for a program to Strategisch Initiatief Materialen VZW, Technologiepark Zwijnaarde 48, 9052 Gent, legal entity number 0872.622.292 ("SIM") entitled "**[name of the program]**";

WHEREAS, the program proposal has been approved by SIM (the "Program") and a grant agreement has been entered into between SIM and the coordinator of the Program (the "Coordinator") (hereinafter the "Grant Agreement")

WHEREAS, the Program Parties have entered into a Program Framework Agreement to specify or supplement binding commitments among themselves in addition to the provisions of the Grant Agreement to which they adhered by signing the Program Framework Agreement];

WHEREAS, , a project proposal entitled "**[name of the Project]**" was submitted by the parties to SIM and FIO as part of the Program and such proposal has been approved by SIM on [date] and by FIO on [date] (the "**Project**");

WHEREAS, the parties have entered into an agreement with FIO which contains the details of the funding under the Project through SIM reserved budgets (the "**FIO Agreement**");

WHEREAS, the parties wish to enter into this agreement in furtherance of (i) the FIO Agreement, and (ii) the Program Framework Agreement which requires the execution of a separate agreement for each approved project within the Program;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Article 1   Subject

Each party shall carry out in a correct and timely manner and in full accordance with the Grant Agreement, the Program Framework Agreement, the FIO Agreement and this Project Agreement the tasks allotted to it under the Project as set forth in Exhibit 1 – "Project Plan", providing the human resources, materials, facilities and equipment that are designated as its responsibility.

Article 2   Project Management

2.1   In accordance with the FIO Agreement, [party] is appointed as the Project Leader and is therefore responsible for the administrative and scientific follow-up of the Project and the coordination of the reporting towards the Program Coordinator. The Project Leader shall act as the intermediary between the parties and the Program Coordinator and shall inform the Program Coordinator (among other things) about:

(a)   any significant information, fact, problem or delay (including force majeure) likely to affect the Project, or its uninterrupted performance or expected Foreground;

(b)   any important change in the Project that is likely to affect the expected Foreground; and

(c)   any delay in the start of activities under the Project or any continuation of the Project beyond its intended termination date.

The Project Leader shall send a copy of the fully executed Project Agreement (and any amendments thereto) to the Program Coordinator and inform the Program Coordinator promptly of any proposed amendments to this Project Agreement.

2.2   [Name of the Project Manager] has been appointed by the Project Leader as responsible for the day-by-day fulfilment of the tasks of the Project Leader ("Project Manager").

2.3   The parties hereby establish a Project steering committee consisting of one representative of each party (the "**Project Steering Committee**"). During the Project the Project Steering Committee will meet (in person or via teleconference) to discuss the progress of the activities under the Project at least once every three months and whenever requested in writing by 1/3 of the parties.

2.4   Any party may be represented at any meeting or appoint a proxy to attend and vote at the meeting. The Project Steering Committee shall deliberate and decide validly if two-thirds (2/3) of the parties are present or represented. Each party shall have one vote and decisions shall be taken by a majority of two-thirds (2/3) of the votes. The Program Manager shall have the right to attend all meetings, but shall have no voting power.

2.5   The Project Leader will organize the Project Steering Committees and set the agenda in a timely manner. The Project Leader will also chair all meetings and draw up the minutes of the meetings. He shall send them to all parties and the Program Coordinator within ten (10) working days following the meeting. The meeting minutes will be considered as accepted by all parties, unless written remarks are sent to the Project Leader within ten (10) working days following their receipt.

2.6   The Project Steering Committee shall have the following tasks:

a)   monitor the effective and efficient implementation of the Project;

b)   assess the compliance of the Project with the Project Plan contained in Exhibit 1;

c)   make proposals to the Program Management Committee for changes to Exhibit 1, e.g., termination, creation, or reallocation of work packages;

d)   approve the reports to be provided by the Project Leader to the Program Coordinator;

e)   make suggestions for reallocation of the tasks and budget of a party leaving the Project;

f)   keep a register of Foreground generated within the Project.

2.7   If the Project Leader fails in its tasks, the Project Steering Committee may propose to the Program Coordinator to change the Project Leader.

Article 3   Reporting

3.1   Within fifteen (15) days before the applicable deadline set forth in Exhibit 1, each party shall provide the Project Leader with a report on its tasks under the Project. These reports shall

conform to all requirements imposed by FIO for reporting as set forth in the Grant Agreement and any additional written guidelines that may be made available by FIO and SIM.

3.2   No later than three (3) working days before the applicable deadline set forth in Exhibit 1, the Project Leader shall provide the Program Coordinator with a report pertaining to the Project. These reports shall conform to all requirements imposed by FIO for reporting as set forth in the Grant Agreement and any additional written guidelines that may be made available by FIO and SIM.

Article 4   Foreground and Access Rights

Article 6 (with the exception of article 6.4 b) and c)) and Article 7 (with the exception of article 7.5 and 7.6) of the Program Framework Agreement are incorporated herein and made a part hereof by this reference.

Article 5   Non-disclosure of information and Publication

Article 8 and Article 9 of the Program Framework Agreement are incorporated herein and made a part hereof by this reference.

Article 6   Duration, Suspension and Termination

6.1   This Project Agreement shall enter into force on the Effective Date and shall continue in full force and effect until complete fulfilment of all obligations undertaken by the parties under this Project Agreement.

6.2   In the event the Project Steering Committee identifies a breach by a party of its obligations under this Project Agreement, the Project Leader will give written notice to such party requiring that such breach be remedied within thirty (30) calendar days. If such breach is substantial and is not remedied within that period or is not capable of remedy, the Project Leader shall inform the Program Steering Committee which may decide to declare the party to be a Defaulting Party and to decide on the consequences thereof which may include termination. If the Project Leader breaches its obligations under this Project Agreement, each party may give written notice to the Project Leader requiring that such breach be remedied within thirty (30) calendar days. If such breach is substantial and is not remedied within that period or is not capable of remedy, the notifying party may inform the Program Steering Committee which may decide to declare the Project Leader to be a Defaulting Party and to decide on the consequences thereof which may include termination and assignment of another party as the Project Leader.

6.3   This Project Agreement or the participation of one or more parties may be suspended or terminated in accordance with the terms of the Grant Agreement and the FIO Agreement. If SIM terminates the Grant Agreement or a party's participation in the Grant Agreement, this Project Agreement shall automatically terminate in respect of the affected party/ies.

6.4   The provisions of Article 4, Article 5 and Article 7.1 shall remain in full force and effect after expiration or termination of this Project Agreement.

Article 7   Miscellaneous

7.1   Article 10 ("Warranties and Liability"), article 11.8 ("Survival") and article 12 (except article 12.3) ("Miscellaneous") of the Program Framework Agreement are incorporated herein and made a part hereof by this reference.

7.2   This Project Agreement and the provisions of the Grant Agreement and Program Framework Agreement concerning the Project constitute the entire agreement between the parties relating to its subject matter. In case the terms of this Project Agreement are in conflict with the terms of the Grant Agreement, the terms of the latter shall prevail. In case of conflict between this Project Agreement and the Program Framework Agreement, the terms of the latter shall prevail.

IN WITNESS WHEREOF, the parties have executed and caused this Project Agreement to be executed and delivered on the date first above written.

PARTY 1

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PARTY 2

_____

PARTY 3

_____

PARTY 4

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EXHIBIT 1   **PROJECT PLAN**   P 6 / 7

[add project plan, reporting periods, ...]

[add project budget]

[add project plan, reporting periods, ...]

EXHIBIT 2   BACKGROUND

[complete]

[complete]