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## 1. Executive Summary

D 7.2 is a study about the commercialization opportunities for the developments and expertise emerging from the ReconCell project. In the following report we suggest how commercialization should be executed and which agreements and legal documents need to be included for different stakeholders. It is important to notice, that this report is not finalized and will be updated within the next six to nine months until the final founding of the company.

## 2. Introduction

In this report we describe how we envision a ReconCell company and what it takes to accomplish this vision. We start by outlining the underlying business model canvas, which is often used to give a graphical overview over the business entity. After this, we specify the involved stakeholders and their agreements with each other. Lastly, we draft the next steps to achieve the establishment of ReconCell Inc. In the subsequent section, we describe the networking efforts that have been performed so far and present a more detailed schedule on how to reach our aims. These networks build the basis for the establishment of the ReconCell Inc. as they bring all potential stakeholders together and thus help to define the incorporation plan by collecting valuable feedback for the design of the workcell (defined in the Product Roadmap) as well as the business case. Last but not least, we describe new products that are/could be spanned-out by the ReconCell project and will be a valuable part of ReconCell Inc.

In this report, we will refer to “ReconCell” in three different ways:

**ReconCell project** describes the current European project named “ReconCell”.

**ReconCell product/ workcell** describes the product that is developed in the frame of the ReconCell project and will be sold to customers by ReconCell Inc.

**ReconCell Inc.** is the company that the ReconCell project plans to establish in the course of the project and that will focus on selling the ReconCell workcell. By using “**Inc.**” we do not indicate that the company should be a US based company. No decision on type and location of the company has been taken yet.

### 3. Establishing a ReconCell company

*How does a ReconCell Inc. look like? Who from the ReconCell project will be involved and how? Who from outside could be involved and add value to the company? How do the agreements in such a ReconCell company look like between the stakeholders? What does it take to establish a ReconCell Inc.? In the following text, we address these main questions and draft an initial vision of ReconCell Inc.*

#### 3.1 Business Model Canvas

A business model canvas is a condensed, graphical representation of the most important business components of an organization. Figure 1 shows the different building blocks of the Business Model. **The key partners** of ReconCell Inc are Blue Ocean Robotics, the partner universities and research institutes and their employees (who are seen as CTO in this initial phase) and

A Business Model Canvas describes the business model of an organization in an abstract form with the help of 9 building blocks. The 9 building blocks of the business model canvas are:

- **The key partners** of the organization
- **Customer segments**
- **Values** that the organization proposes for each customer segment
  - Channels to reach the customers
  - **Relationships** that the organization develops with its customers
  - Revenue streams which means the earning a business makes
  - The main resources required to create value for the customers
- **The key activities** that the organization needs to carry out

potentially one of the SMEs as production partner. **The customer segments** can be broadly divided into SMEs and large manufacturing companies who can see flexibility as a major competitive edge. **The value** proposition that ReconCell Inc. brings to SMEs are improving their productivity by the introduction of easy to use technology which takes a very short setup time and doesn't require very high technical skills of its operators. The value **proposition** for large manufacturing companies, especially the automobile industry, are flexibility and customization. ReconCell can be used to implement flexible manufacturing systems at the automotive production plants, which will enable them to produce different product variants on the same production line (flexibility of products) as well as enable them to absorb large shifts in demands (flexibility of volume). Automobile companies can get a competitive advantage in the market by introducing new models to the market with a higher pace. To reach its customers, ReconCell Inc. will use the sales and marketing channels of Blue Ocean Robotics in the beginning and can later develop its own sales and marketing teams. To establish a close **relationship** with its customers, ReconCell Inc. will establish a network of its end-users (see Section 4) that will provide services to the end users in the form of new skills and updated control software using the findings from other ReconCell's. Management of the end users network is one of the **key activities** of the ReconCell Inc. as growth of the business and improvement of the product relies on it. Other key activities of the ReconCell Inc. are assembly and the supply chain of the ReconCell. Revenue is generated via the sales of ReconCell and continuous service fees.

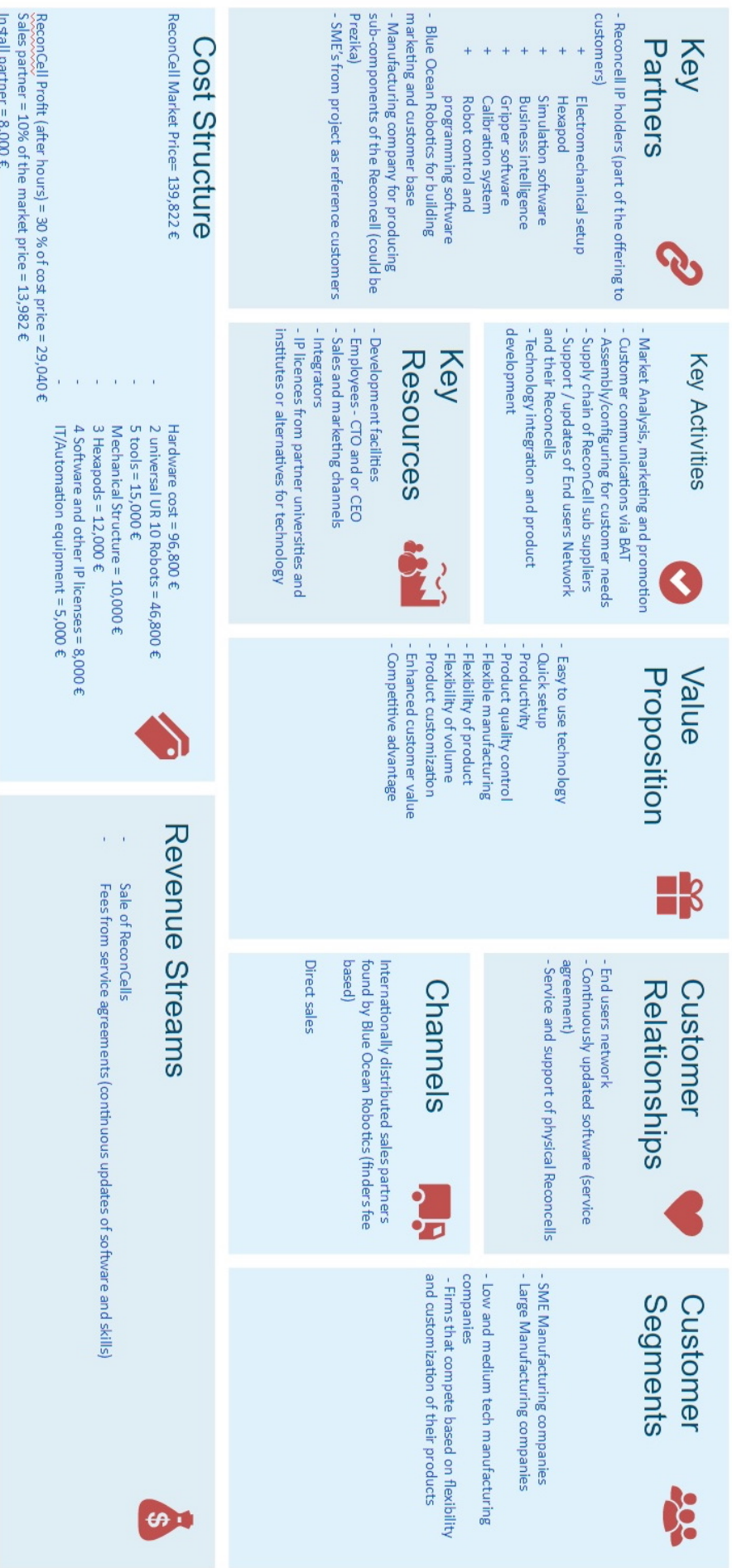


Figure 1.: Business Model Canvas for ReconCell

### 3.2 Stakeholder Diagram

The stakeholder diagram in Figure 2 gives an overview of the agreements that ReconCell Inc. need to make with different entities, in order to establish a successful business in the EU market and abroad. Directly involved stakeholders are mostly partners of the ReconCell project. Stakeholders allow the ReconCell project to expose ReconCell to the broader audience and will be identified during the project lifetime.

The technological developments that make the building blocks of the ReconCell product come from the research results of different universities and research institutes that are involved in the ReconCell project. In order to use the results of their work for commercial purposes, ReconCell Inc. must make exclusive right agreements with these research organizations. These agreements that need to be carried out include the following:

- Exclusive rights agreement for the mechanical and mechatronic set with JSI.
- Exclusive rights agreement for the robot programming and control software with JSI.
- Simulation Software agreement with MMI.
- Use of the 3D vision system agreement with UGOE.
- Industry 4.0 implementation agreement with Hermia.
- Pose calibration agreement with SDU.

It is under consideration whether or not it is necessary to have exclusive agreements, as the workcell in itself is quite complex and composed of a number of different technological forefront developments. Thus, it will not be easy to be copied by competitors. However, it might be necessary to have exclusive rights for some of the technologies as they form the core of the product.

A reconfigurable fixture called hexapod (Section 5.2) is an integral part of the ReconCell product - on which the mechanical re-configurability of the cell is dependent. Therefore, ReconCell Inc. must make a non-cancelable sub-supplier agreement with Hexapod Inc. to supply on committed and specific terms including quantity and lead time. A “field of use” agreement on transferring non-exclusive IP and production rights in case of Hexapod Inc. bankruptcy needs also to be established. Hexapod inc. is expected to be formed medio 2017 as a result of the activities in the project.

The Business Assessment Tool (Section 5.1) will be used as an integrated part of the final ReconCell adding value to the Solution. The BAT is a system that connects a ReconCell Solution with its potential customers at an early stage. It helps a business developer (sales person) with the initial customer communication. The BAT can be understood as platform for effective communication between salespersons and potential customers. ReconCell Inc. will make an agreement with the BAT Company (which might be another potential commercial result of the project), to permit it to use the BAT product. It is to be considered whether this agreement has to be based on exclusive rights in the field of use, but most probably this will not be necessary.

ReconCell Inc. can also after the course of the project take advantage of the networks of Blue Ocean Robotics and its active continuous focus on growing these in order to become visible to its potential customers in the industrial marketplace. For this, ReconCell Inc. will make a distributor agreement with Blue Ocean Robotics. In this agreement, the relationship to ReconCell Inc. sales partners and integrators will be agreed upon between Blue Ocean



Robotics and ReconCell Inc. This will enable Blue Ocean Robotics to engage its international network of sales partners and integrators in the sales and promotion of the ReconCell product.

As ReconCell is based on new technologies and innovative concepts, potential customers will have questions about its use. In order to answer these questions of potential end users or buyers who are close to agree on a contract, ReconCell Inc. will demonstrate running versions of the workcell. An adequate place for these demonstrations would be at the reference customers' production side. These reference customers are the SME partners in the ReconCell project as they already act as active use cases during the course of the project. They will potentially be ReconCell Inc.'s first customers and thus use the product at their production facilities. For this purpose, ReconCell Inc. will need to make agreements with the early adopter reference customers (ELVES, PRZM, LDT and two additional partners found through the open calls in 2017), which will allow the new potential customers to visit their production facilities. It is expected that these agreements will have very strict directions on how the reference cells can be used in the ReconCell Inc. product promotion.

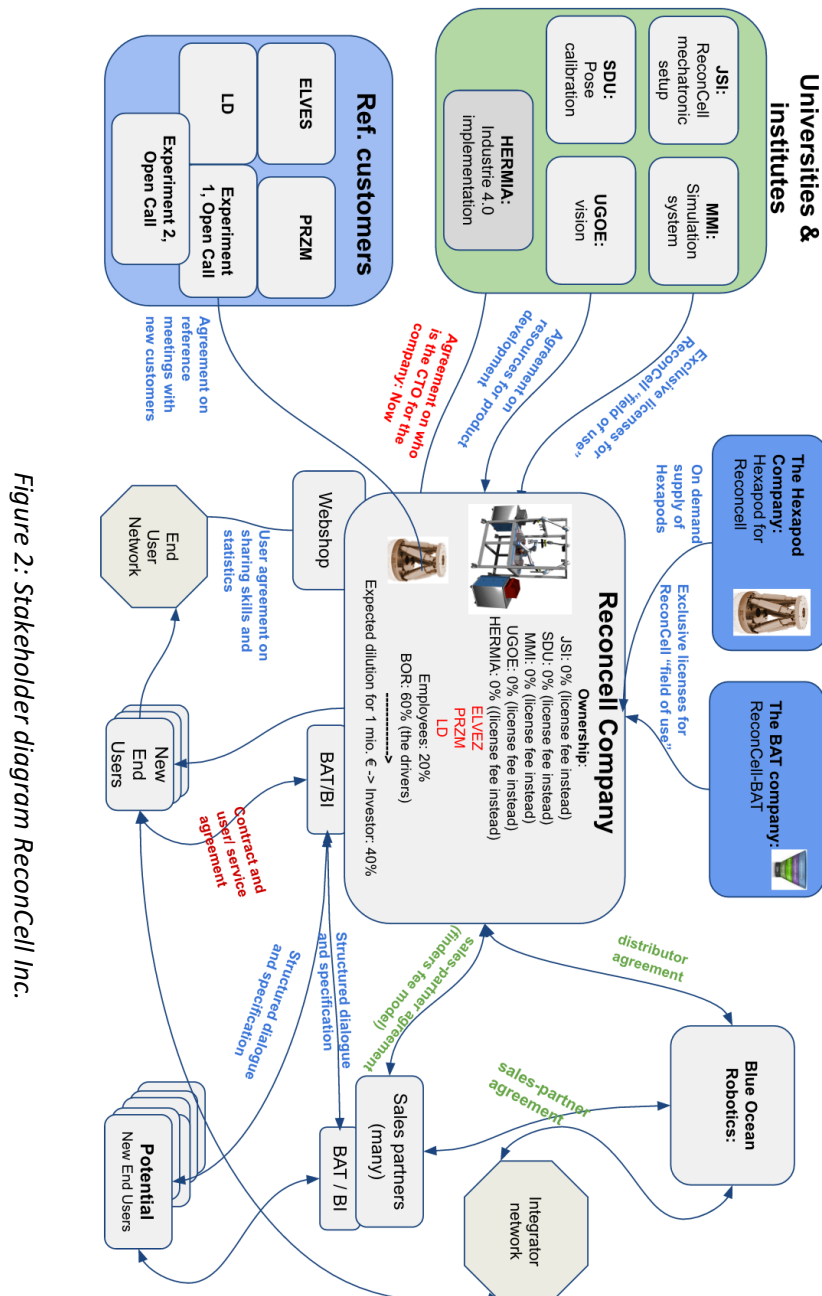


Figure 2: Stakeholder diagram ReconCell Inc.



Eventually, ReconCell Inc. will have a network of end users established that allows the company to collect information from each workcell. In exchange, end-users with service agreements will be able to acquire new expertise and skills in return for allowing ReconCell to collect runtime information from the workcells on the production lines implemented internationally. Similarly to a cyberphysical system (see Section 4.1), ReconCell will build a database from this run-time information to learn from. From this database, ReconCell Inc. will extract information about recurring problems and new skills learned / trained by the employees at the production lines. This way, ReconCell Inc. can improve the product capabilities and process skills and the end-users get updated versions of the control software for their ReconCells. An example of such knowledge sharing and autonomous updating is Tesla, who update their cars with new insights on how to perform better at self driving based on continuous collection of sensory data from cars around the world driving in all kinds of weather and situations. For this purpose, ReconCell Inc. will need to make an agreement with the end-users / customers, which states that they will share their information in a controlled way to leverage all end-users in the network.

The following draft agreements between stakeholders can be found in the appendix:

Appendix	Type of Agreement	Parties involved		Purpose
1	Addendum to CA to found ReconCell Inc.	All partners, potentially other partners to add extra knowledge		Describes in principle terms agreements, commitments and benefits of the partners in relation to establishment of ReconCell Inc. The document will ensure that all partners understands and supports the upcoming plans
2	Certificate of incorporation	All partners involved as owners		Certificate of establishment of ReconCell Inc.
3	Appendix A; Articles of association	All partners involved as owners		Appendix of certificate of incorporation
4	Register of shareholders	All partners involved as owners		Document of registered shareholders of ReconCell Inc.
5	Shareholders agreement	All partners involved as owners		Shareholder agreement for ReconCell
6	Distributor agreement	ReconCell Inc.	Blue Ocean Robotics	To define upcoming relation to sales partners and integrators, this

				agreement allows Blue Ocean Robotics to engage with sales and integrator partners on behalf of ReconCell Inc.
7	Sales partner agreement	ReconCell Inc.	Sales partners	ReconCell sales partner agreement
8	Early sales support agreement	ReconCell Inc.	ELVEZ	To allow new potential customers to visit the production facilities of ELVEZ
9	Early sales support agreement	ReconCell Inc.	PRZM	To allow new potential customers to visit the production facilities of PRZM
10	Early sales support agreement	ReconCell Inc.	LDT	To allow new potential customers to visit the production facilities of LDT
11	Standard License Agreements	ReconCell Inc.	Potentially all partners	To grant a partially exclusive right of use
The following agreements will possibly need to be drafted:				
	Exclusive Rights Agreement	ReconCell Inc.	JSI	To use mechanical, mechatronic and programming and control software architecture for ReconCell
	Exclusive Rights Agreement	ReconCell Inc.	MMI	To use the VEROSIM simulation and control software
	Exclusive Rights Agreement	ReconCell Inc.	UGOE	To use the quality control vision system
	Exclusive Rights Agreement	ReconCell Inc.	Hermia ltd.	To implement Industry 4.0. business intelligence procedures and software
	Exclusive Rights Agreement	ReconCell Inc.	SDU	To use pose calibration technology and software to simulate gripping situations and suggestions to finger designs for grippers in the

				workcell
	Non-cancellable sub-supplier agreement	ReconCell Inc.	Hexapod Inc.	To supply hexapods
	Field of use agreement	ReconCell Inc.	Hexapod Inc.	To transfer production rights and intellectual property rights to ReconCell Inc. in case of Hexapod bankruptcy
	Exclusive rights	ReconCell Inc.	BAT Inc.	To use Business assessment tool for ReconCell
	Early sales support agreement	ReconCell Inc.	Partner 1 (Found through open call)	To allow new potential customers to visit their production facilities
	Early sales support agreement	ReconCell Inc.	Partner 2 (Found through open call)	To allow the new potential customers to visit their production facilities
	Data-usage	ReconCell Inc.	End users	To build a database to learn and spread new robotic skills
	Service agreement	ReconCell Inc.	End users	To indicate the service provider

*Table 1: Draft templates for agreements between stakeholders*

### 3.3 Incorporation Plan

In the following we describe an incorporation plan that the ReconCell project should follow in order to establish ReconCell Inc. The incorporation plan is an initial draft that will continuously be discussed and verified by all ReconCell project partners. Outcomes from the individual steps will influence and potentially change subsequent steps.

Mile stone	Deliverable	Actions up to Milestone
<b>Product Roadmap</b> agreed	<b>Product Roadmap</b>	<p>Blue Ocean Robotics makes first draft and distribute to project partners for discussion</p> <p>Blue Ocean Robotics collects and rewrite the Roadmap</p> <p>At the ReconCell general meeting early February 2017, the project partners agree on the Product Roadmap as a basis for the incorporation plan and focusing research and development in the project</p>

		Blue Ocean Robotics prepares a final version at the end of February, which is agreed on between the partners
<b>Business plan Version 1</b> is distributed among partners	<p>Document that describes the basis and plans for ReconCell Inc. including stakeholder contributions and financial projections</p> <p>This version is used as a base for discussion among the partners for agreeing on the <b>Stakeholder and Involvement model</b> as well as for the <b>Addendum to CA</b></p>	<p>Blue Ocean Robotics makes draft business plan</p> <p>Blue Ocean Robotics discusses it with Project Management</p> <p>Blue Ocean Robotics distributes and takes feedback for final version in may 2017</p>
<b>Stakeholder and involvement model</b> for ReconCell Inc. agreed upon	<p><b>Stakeholder and involvement model</b></p> <p>Detailed document on all issues related to the stakeholders' involvement (or noninvolvement) in ReconCell Inc.</p> <p>The document is approved by all legal and contributing partners in the project</p>	<p>Blue Ocean Robotics sends out a draft model for the contributions and role of the ReconCell partners in the ReconCell company (based on <b>Version 1 Business Plan</b>)</p> <p>Active project partners agree on a common and specific model.</p> <p>Specific stakeholder models are presented for the individual legal departments of the partners in ReconCell project: The specific Stakeholder and involvement model is based on an agreed commercial model for selling ReconCell'. The model will be a balance between</p> <ul style="list-style-type: none"> <li>• Limits on summarized cost for IP from stakeholders</li> <li>• Upside model for IP stakeholders and other contributors</li> </ul> <p>and each ReconCell partner's future role in ReconCell Inc.:</p> <ul style="list-style-type: none"> <li>• Owner / IP license holder / close stakeholder</li> <li>• Contribution in project period <ul style="list-style-type: none"> <li>▪ Technical</li> <li>▪ Focused resources</li> </ul> </li> <li>• Contribution after project <ul style="list-style-type: none"> <li>▪ Technical</li> <li>▪ Focused resources</li> </ul> </li> </ul> <p>Agree with legal departments on <b>Stakeholder and Involvement model</b></p>
<b>Addendum to CA</b> agreed and signed	<p><b>Addendum to CA</b></p> <p>The Addendum is a document based on the <b>Product Roadmap and the Stakeholder and involvement model</b>. It is</p>	<ul style="list-style-type: none"> <li>• Agreement on <b>Product Roadmap</b> among the project partners</li> </ul> <p style="text-align: center;">and</p> <ul style="list-style-type: none"> <li>• Agreement on <b>Stakeholder and involvement model</b></li> </ul>

	<p>written in a form that makes it fit the ReconCell project's CA and all ReconCell partners should agree on it. There is no specific IP or ownership agreements in this document, but it includes all principles that make the incorporation process possible.</p> <p>Even if there are no specific IP agreements included, the text in the <b>Stakeholder and Involvement document</b> is reflected 1:1</p>	<p>among involved project partners and their legal departments. This includes roles in the board of the upcoming company.</p> <p>are the basis for this agreement.</p> <ul style="list-style-type: none"> <li>Blue Ocean Robotics in cooperation with the Project Manager (Aleš Ude) makes the first draft of the <b>Addendum to CA</b> and sends it to the partners.</li> <li>Blue Ocean Robotics in cooperation with the Project Management iterates the <b>Addendum to CA</b> and ensures that all partners sign the document.</li> </ul>
Final business plan filed	Business plan that all ReconCell partner agree on. The business plan will have a quality level that will be appropriate for investors.	
Potential CTO/CEO for ReconCell Inc. found	Short list of validated candidates for CTO/CEO position with prioritized first choice. Prioritized person has agreed to join investor meetings.	<ul style="list-style-type: none"> <li>Job description for CTO role prepared by Blue Ocean Robotics.</li> <li>ReconCell partners expose the CTO position to own network and on EU related sites and job banks.</li> <li>Blue Ocean Robotics interviews candidates and find the preferred candidates.</li> <li>Conclusions sent to ReconCell partners for comments.</li> </ul>
ReconCell Inc is incorporated	<p>All legal documents regarding incorporation is filled in.</p> <p>All stakeholders with ownership are involved in the incorporation.</p> <p>Incorporation before we have an investor makes it easier to present a research project as a commercial opportunity.</p>	<ul style="list-style-type: none"> <li>Blue Ocean Robotics sends out a checklist of documents needed by the partners for incorporation of the company.</li> <li>Blue Ocean Robotics is in charge of the actual process of incorporation.</li> <li>A board is formed as stated in <b>Addendum to CA</b>.</li> </ul>
Early stage investor has made round 1 investment of approx. 0.5 mio €	ReconCell Inc. included a new stakeholder (investor) based on the Business Plan and the <b>Addendum to CA agreement</b> among the partners.	<ul style="list-style-type: none"> <li>A short list of early stage investors relevant for ReconCell Inc. is build (May 2017).</li> <li>Business plan is sent to potential investors (May 2017).</li> <li>ReconCell partners agrees on investment group that that can join investor meetings, contribute to find the</li> </ul>

		best investor and negotiate share price and investment size and milestones.
First employments in ReconCell Inc., and resource agreements among the partners is put into action		
IP License agreements negotiated with <b>MMI</b> , .....	<p>The individual IP licensing agreement are filed</p> <p>The basis for negotiation the IP agreement is in the <b>Addendum to CA</b></p>	<p>....</p> <p>....</p>
Round 2 investment (market expansion) Approx. 2 mio €		<p>....</p> <p>....</p>

*Table 2: Incorporation Plan ReconCell*

## 4. Networks

*The aim of the networks established in the ReconCell project is to disseminate information about the ReconCell technologies to actors in the value chain, and especially to raise awareness about the possibilities of automated robot assembly in SMEs through targeted marketing. The ReconCell End-User Manufacturing Network will give vital feedback for the design of the workcell and the business case parameters and later also production information when ReconCells are running at productions sites. The Developer Network will support the software development for the ReconCell system and could potentially become an additional service. The ReconCell commercialization foundation will help to prepare for exploitation after the end of the project.*

### 4.1 End-User Manufacturing Network and Distribution Network

#### Introduction

The Network Establishment Plan is outlined to run from September '16 and until October '17, with the aim of disseminating information about ReconCell technologies and raise awareness of the options with automated assembly in SMEs. Specifically, the Network Establishment Plan includes contacting

**Motivation End-User Manufacturing Network** – To get feedback from manufacturing companies and learn more about their assembly manufacturing, a network of early-adopters must be established. Within this network, we are also going to disseminate information about the ReconCell technologies for SMEs. Our goal is to raise awareness about the possibilities of automated robot assembly in SMEs.

**Motivation Distribution Network** – To get ReconCell into the market, a significant number of Distribution Partners must be contacted and motivated to work on the marketing, sales, installation, end-user training, support and maintenance. In the project period a number of such candidates will be contacted and engaged in dialogue about such collaborations.

European manufacturing companies and integrators. This will be achieved via direct email campaigns, social media campaigns, as well as attending conferences and exhibitions. The plan is shown in Figure 3 below.

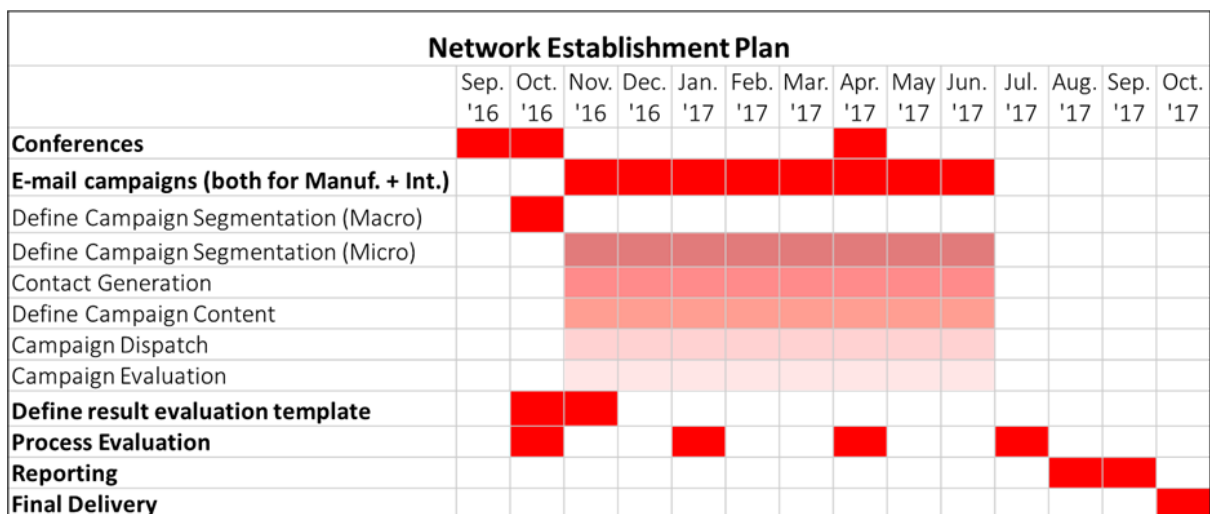


Figure 3: Network Establishment Plan



## Target Groups

At least 640 European Manufacturing companies will be contacted via direct mail, social media, exhibitions and conferences (proposal states 350). Furthermore, at least 160 Integrators will be contacted through the same channels (proposal states 75). Segmentation criteria will be evaluated and defined through the actual campaign to allow for adjustments along the way. However, the main target groups are SME's<sup>1</sup> within manufacturing. Small and medium-sized enterprises (SMEs) are defined in the [EU recommendation 2003/361](#). The main factors determining whether an enterprise is an SME are:

1. **Staff headcount** and
2. Either **turnover** or **balance sheet total**.

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Table 3: Main factors determining SMEs

Main Geographic Markets are going to include

- Denmark,
- Germany,
- Sweden and
- Benelux.

These markets are seen as being representative for the European SME's and all countries are expected to have focus on Industry 4.0 that will help as a driver for interest in the ReconCell project. The term Industry 4.0 originates from the German Government's high-tech strategy.<sup>2</sup> Figure 4 shows the 4 stages in the industry evolution.

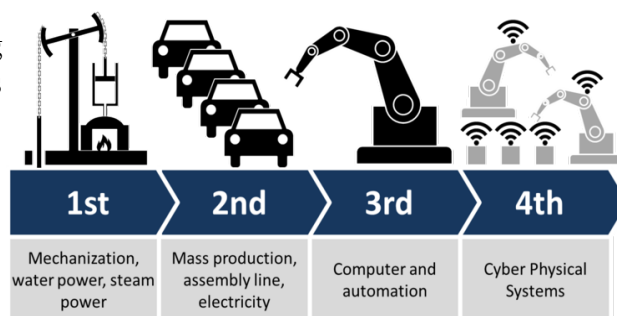


Figure 4: The four Industry evolution stages.

## Personas targeted in the network

To meet the requirement about entering in a dialogue with European Manufacturing companies, the established network should consist of decision makers and technical personnel that can influence the process forward. Examples of desired skills/people in the network:

<sup>1</sup> Source OECD Glossary of statistical terms

<sup>2</sup> <https://www.bmbf.de/de/suche.php>

- CEO
- CTO
- Senior Technical Engineers
- Factory Managers
- Production Managers
- R&D Managers within the Automation/Robotics area

## Product Roadmap

The actual product / project road map is going to be used as a communications tool that can help potential partners and participants in the project to understand the underlying work and show already achieved and expected results. A pre-example of already known results are: the input gathered from the manufacturing companies as well as integrators will be used to refine the roadmap in terms of specifying functions for ReconCell.

## The Dialogue

When entering into a dialogue with a manufacturing company the first initial step will be screening of the actual manufacturing company for a review of their technical knowhow and needs. One of the first steps will be an introduction to the Blue Ocean Robotics Business Assessment Tool (BAT, Section 5.1) via a link sent by mail in the form of a questionnaire, where predefined questions guide the manufacturing companies through the process and these initial first answers are valuable guidelines for ReconCell Inc. to decide on the next steps that need to be taken and where to focus on in the dialogue.



Figure 5: Example of possible Key selling points of the ReconCell Core system (Version 1)

## Expected Results

Aligned with the Network Establishment Plan in Figure 1, it is expected that at least 640 European manufacturing companies and 160 integrators will be contacted over the course of 8 months via campaigns. Furthermore, Blue Ocean Robotics is going to attend conferences and exhibitions where it is expected that an additional 95 mixture of manufacturing companies and integrators are going to be contacted. For a specific overview of number of expected contacts, see Figure 6.

Number of Planned Contacts															
	Sep. '16	Oct. '16	Nov. '16	Dec. '16	Jan. '17	Feb. '17	Mar. '17	Apr. '17	May '17	Jun. '17	Jul. '17	Aug. '17	Sep. '17	Oct. '17	TOTAL CONTACTS
<b>Conferences</b>															
- Automatik, Brøndby (13.-15.)	10-30														20
- Automatik, Sweden (4. -6.)		10-40													25
- Hannover (24. - 28)								50							50
<b>Campaigns</b>															
- Manufacturing companies			80	80	80	80	80	80	80	80					640
- Integrators			20	20	20	20	20	20	20	20					160

Figure 6: Number of Planned Contacts

Based on previous experience that Blue Ocean Robotics has had with campaigns, conferences and exhibitions, directed both at potential sales partner leads and end-users, it is expected that we will enter into a dialogue with around 10% of the total number of contacted subjects. This amounts to at least 74 manufacturing companies and 16 integrators coming from the campaign efforts, and around 10 coming from attendance at conferences and exhibitions.

It is expected that both, the manufacturing companies and integrators that we anticipate to enter in a dialogue with will provide vital and high-value feedback on the business plan and

business case for ReconCell. They will also help to analyze the challenges for ReconCell. Their feedback will be used for revising the design of ReconCell.

## Reporting

The process will be revised every 3 months (see Figure 3) and documented along the way. More specifically, the production and distribution of campaigns will follow an internally established process that Blue Ocean Robotics uses for its campaign efforts (see Figure 7). As suggested in Figure 7, the campaigns will be managed, produced and distributed using Zoho CRM and Zoho Campaigns<sup>3</sup>. It will allow for effective email tracking, continuous revisions and modifications of campaigns to ensure a high response rate.

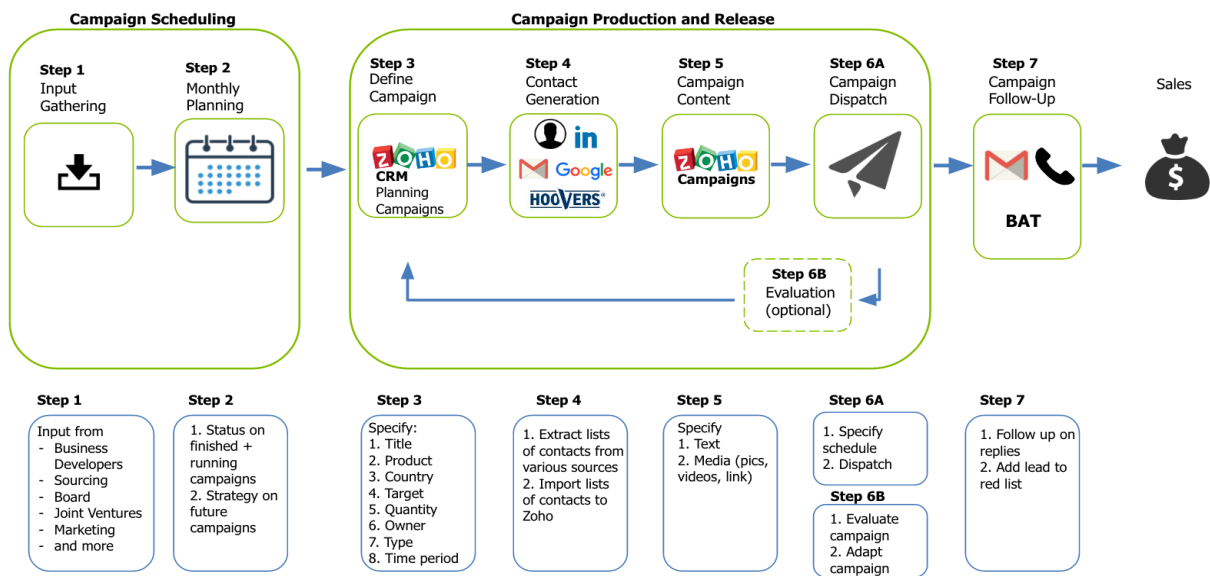


Figure 7: Current Campaign Flowchart (BAT will be added after first trials)

Lists of subjects contacted via direct mail will be stored in Zoho. Likewise, information of persons that are met at conferences and exhibitions are going to be stored in Zoho. Thus, a gross list will be provided as part of the reporting. Furthermore, using Zoho, a list of contacted subjects that are engaged in a dialogue will be extracted and provided as part of the reporting.

## 4.2 Public Awareness and Marketing

Blue Ocean Robotics Marketing takes the overall responsibility of reaching the stated objectives:

- 350 Manufacturers (targeted 650) (also referred to as End-Users)
- 75 Integrators (targeted 160) (also referred to as Sales Partners)
- 500,000 people reach in terms of brand awareness

### Motivation Public Awareness

Public awareness is important to ensure continuous improvement of productivity in our manufacturing and service sectors. The increased productivity is a prerequisite for a continued wealthy society with social benefits for everyone. It is also important for STEM (Science, Technology, Engineering, and Mathematics) education recruiting.

<sup>3</sup> Link to website: <http://www.zoho.com/>

### Steps to reach objectives

Through the prospect generating part of the Campaign Flowchart (Figure 7), ref. step 3 to 6, Marketing will generate direct contact records to use in direct e-mail campaigns. These records will be uploaded to the CRM system (Zoho) for further processing by the Business Developer. The segment in focus is clearly defined by the Business Developer in collaboration with the Marketing Department before building lists for campaigns and dispatching campaigns. This is done by making comparative analysis of personas and their willingness to purchase.

Indirect lead generating campaigns, where leads are generated by using other pages on the path to conversation<sup>4</sup>, will be made by utilizing social media channels for campaigns. LinkedIn will be the main social media channel used for such campaigns as this is the primary social media for the target audience (other social media platforms are also relevant, e.g. Xing, but do not offer promotional opportunities). Thus, discussions on topic will be established in various LinkedIn groups. To generate inbound link-building to the website and to create brand awareness, collaboration with industry bloggers should be established. The bloggers will require some kind of payment yet the innovative aspect of ReconCell will be a leverage in terms of conversion. In the blogger collaboration, the consortium will make marketing material available for optimum display. Press announcements should be published every time advances have been made or societal issues can be reflected upon.

The entire consortium is responsible for generating stories for Blue Ocean Robotics Marketing to engage on. Google Adwords campaigns can be considered a method yet it is considered a last resort. Through indirect campaigning it is expected that both prospect referrals and brand awareness will be achieved.

### Activities

#### Direct lead generation

- Prospect lists generated
- In collaboration with Business Developer (BD + M)
- Campaign dispatch (BD)
- Demonstrations (BD + M)

#### In-direct lead generation

- Social media campaigns (LinkedIn) (M)
- LinkedIn group discussions (M)
- Collaborative blogging (M)
- Press releases published (M)
- Google Adwords campaigns (M)

BD= Business Development/Sales

M= Marketing

### Requirements

All consortium members generate content material to be used in campaigns. The concept is that a diary is kept by one person from every member of the consortium. On a continuous basis each person is to write or describe, record or portrait an event relating to ReconCell. This means:

- Solution documentaries / videos;
- Blog posts (regularly on relevant topics decided by the consortium);
- Pictures of case scenarios or development progress.

A solution promotion video is to be recorded with appertaining interviews and on-site demonstrations. The video is to be the turning point of media activities either as a reference point or lead generator as it will explain the WHATs, the WHYs and other benefits.

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<sup>4</sup> see for example: <https://blog.bufferapp.com/get-more-leads>

**Future role of Marketing**

Blue Ocean Robotics Marketing will in a future role be engaged as Marketing Manager and GoToMarket promoter in ReconCell Inc. Blue Ocean Robotics will be engage in an active Sales Partner role with the means necessary to comply with the expected results via the project website, social media and traditional media campaigns. With the knowledge already established on B2B promotional activities, it is expected that future activities will fit well into the marketing portfolio of Blue Ocean Robotics.

**Evaluation**

The ReconCell project will carefully evaluate all participation in activities and events by measuring the ROI. All activities will be evaluated through the standard methodologies of Blue Ocean Robotics; Expo-activities will be evaluated in a Fairs and Conference Evaluation Chart (see Appendix 12) and results of campaigns will be summarized in a Brand Awareness Report. End-user and Sales Partner reach can be viewed in the individual planned campaigns in Zoho.

All campaigns launched on social media are being evaluated in terms of reach, views and clicks by using the individual media insight reports.

### 4.3 Developer Network

#### Introduction

ReconCell will set up the Developer Network to support the software development for the ReconCell system and establish a community beyond the ReconCell consortium. Due to the extensive use of simulation, monitoring, and internet links, ReconCell could also be marketed and serviced as long distance service. This includes support and supply of skills to the remote system as well as being able to test specific implementation. This feature will also make it possible to reach out for online experts. Based on an analogy to the App business eco-system and Amazon's "long--tail" market model, a business and entrepreneurial developer network in ReconCell will drive a "Web-Shop" with App-like skills and tools for automating branch-, materials-, process- or in other ways specific assembly processes that will ensure an ongoing development and spreading of ReconCell technologies. This network is closely connected to the cyber physical system that we aim to establish once the first ReconCells are running at the production sites. For this, the service agreement that allows ReconCell Inc. to build up a database will be connected to this network. Furthermore, there will be an additional agreement including developers and ReconCell Inc. as soon as the developer network is well established.

To support the continued development of a diverse set of skills and tools for the Webshop, it is essential to motivate system integrators, technology companies, students and others with an entrepreneurial interest and technological capability to join the ReconCell Developer Network. This enables ReconCell to meet a wide range of future needs from manufacturing companies.



Figure 8: Picture taken during Developer Days 2016



Figure 9: VEROSIM Developer days

#### Network Establishment

As a first event for establishing the developer network in ReconCell, partner RWTH invited all partners in ReconCell as well as additional research partners and contacts in industry to attend a first "Developer Days" workshop for the VEROSIM simulation system, which plays a major role in the project. The aim and scope of the "Developer Days" on 19-21 April 2016 was to bring together potential users and developers of VEROSIM in industry and research and to stir the exchange of use cases and experiences among the attendees. In

addition, the "Developer Days" marked the release date of the ReconCell VEROSIM Software Development Kit, which was handed out to ReconCell partners by licensor Institute for Research and Transfer, RIF e.V.

During the three days of the workshop, the goals and first results of the ReconCell project were presented to 40 participants from 20 companies / institutions from 8 countries who followed the invitation. Beyond hosting an additional ReconCell PI meeting on 18 April 2016, the workshop agenda encompassed presentations and tutorials covering the essential



topics for users and developers in ReconCell:

- Overview of VEROSIM with various examples from ReconCell
- Overview of the user interface and the Software Development Kit (SDK)
- SDK installation on participant computers
- Modeling tutorials on working with kinematics, physics, ROS and visual programming
- Overview of the Application Programming Interface (API)
- Programming tutorials on VEROSIM plugin development based on the API

Feedback from the participants suggested that the workshop was considered to be a huge step forward in networking with known and new contacts in research and academia. The workshop participants came from the following institutions:

- AIS University of Bonn, Germany
- BCCN Georg-August University Göttingen, Germany
- Blue Ocean Robotics, Odense, Denmark
- Elvez doo, Visnja Gora, Slovenia
- FZI Research Center for Information Technology, Karlsruhe, Germany
- Hermiagroup Ltd, Tampere, Finland
- Institute of Aeronautics and Astronautics, TU Berlin, Germany
- IEM Fraunhofer Inst. Design Techniques in Mechatronics, Paderborn, Germany
- IIT Istituto Italiano di Tecnologia, Genua, Italy
- IPT Fraunhofer Inst. Production Technology, Aachen, Germany
- Jena-Optronik GmbH, Jena, Germany
- Jozef Stefan Institute, Ljubljana, Slovenia
- KTH Royal Institute of Technology, Stockholm, Sweden
- Logicdata GmbH, Deutschlandsberg, Austria
- MMI Institute for Man-Machine-Interaction, RWTH Aachen, Germany
- MMMI University of Southern Denmark, Odense, Denmark
- PEM Production Engineering of E-Mobility Components, RWTH Aachen, Germany
- Precizika Metal / Blue Ocean Robotics, Vilnius, Lithuania
- RIF Institute for Research and Transfer e.V. Dortmund, Germany
- SSSA School of Advanced Studies Sant'Anna, Pisa, Italy

## 5. Products

Besides the ReconCell product, the ReconCell project will spin-out several more inventions that are an integrated part of the ReconCell product. However, these developments can also be valuable products on their own and it will be considered whether they should be commercialized at an earlier time to increase chances for successful commercialization. In the following we describe the developments and commercialization plans that we have been working on until now.

### 5.1 Business Assessment Tool<sup>5</sup>

#### Introduction to the Business Assessment Tool (BAT)

The Business Assessment Tool (BAT) is a system that connects the ReconCell product with its customers at an early stage. It gives the business developer additional information with ReconCell knowledge base and helps a business developer with the initial customer communication as integral part of ReconCell business intelligence (WP5) solution for intention synthesis and gives support for implementation and Knowledge Management (KM).

#### WP 5 Business Intelligence

Business Intelligence (WP5) in ReconCell is a strategic practice that is meant to offer the ability to understand what is happening at the moment in terms of business process, and help to predict where business is going to for fast decision making support. Modelling business processes and making analytics on the basis of gathered data is a strategic practice. It is planned to be supported by BI platform that serves both the ReconCell company and customers. Agile visual analytics and data discovery combined with connection to enterprise platform give the possibility to make better and informed decisions.

#### Business Intelligence (BI) framework

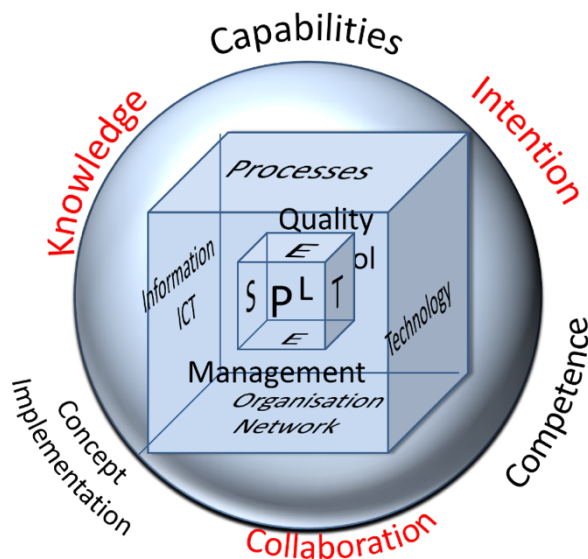


Figure 10: ReconCell BI framework for decision making support

Business Intelligence (BI) in ReconCell is a strategic planning framework that consists of business infrastructure to which it is connected, the structure of interlinked systems, and a normative superstructure of necessary standards. The normative superstructure is a STEEP-framework offering Socio-Technical, Economical-Environmental and Political-Legislative planning tools and standards for the adaptation support. Structured systems consist of three planning and decision making modules; Management and quality (Control) module, Information and technology (Organization) module and Process and network (Configuration) module. Infrastructure consists of local and distributed collaboration, capabilities,

<sup>5</sup> Temporary name, product naming in progress

competence, and knowledge pools. The envisioned system allows developing self-configuration, self-organization and self-control features for agile reconfigurable manufacturing.

When combining Business Assessment with BI framework it is possible to solve customer problems against available knowledge. The result is an improved intention description that leads to better concepts and fast implementation and ramp-up, resulting in better efficiency and effectiveness of the solution. Every customer case is an experiment, adding knowledge to the system that enables learning.

Just as other elements of the workcell, the BAT will be an integrated module of

ReconCell and as final product adding value to the ReconCell company and customer workcells. The BAT as system module will take a crucial role during the course of the project by connecting workcell end-users acquired through the networks outlined in Section 3 with developers shaping the design of the workcell. It will collect vital data about how ReconCell's future end-users (manufacturing companies) will use the ReconCell product and which components they need in order to integrate the ReconCell product into their production lines. Thus, the BAT will help the developers to understand the end-users' needs and translate those

into design-suggestions and system requirements. Later, when ReconCell Inc. is established, the BAT will structure the sales communications more efficiently, prioritizing customers with a high product match and thus high potential to become a customer. Structuring sales communications can often be very time- and cost consuming in automation investment decisions. The BAT will support automation investment decisions from the customer's side

## Cyclic BI developement

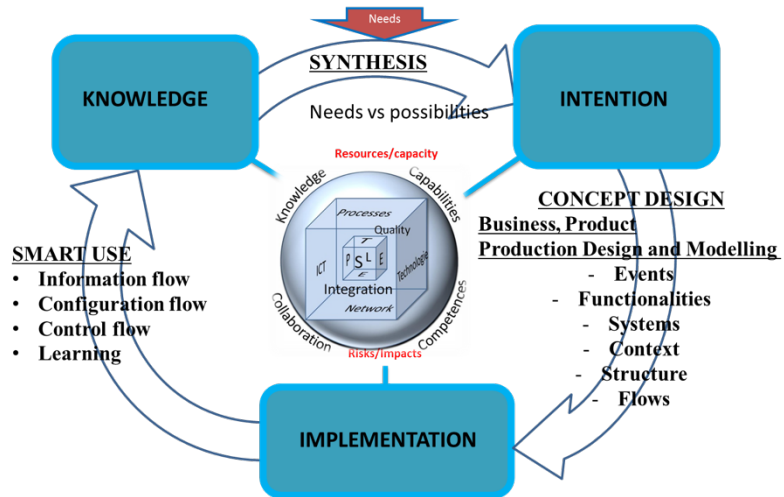


Figure 11: Agile Cyclic Business Intelligence forming; intention, implementation and KM. BAT integrates customer with synthesis, concept design and use simulations of business cases.

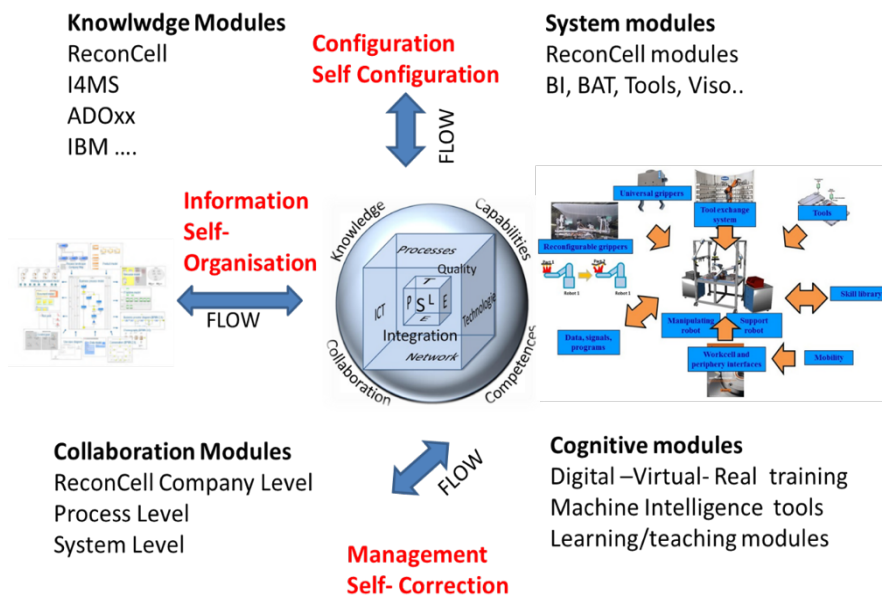


Figure 12: Agile Cyclic Business Intelligence forming; intention, implementation and KM. BAT integrates customer with synthesis, concept design and use simulations of business cases.

and evaluations of early stage innovative robotic automation projects in solution selling processes from ReconCell's side. Furthermore, the BAT will structure communications between stakeholders of ReconCell Inc. in the sales phase and allow for fast responses to customers in order to drive sales in a more efficient way.

### BAT module

The aim of BAT is to design, implement and deploy a cloud-based flexible business assessment tool based on BA model for the ReconCell product. This tool will support the ReconCell company and automation customers in automation decisions and solution selling, design, delivery and maintenance processes. The system of BAT and BI will provide a solution for information gathering (both from the ReconCell intelligence and the customer), automation needs clarification, and evaluate the viability of projects. The development of the BAT is closely connected to the project's main goals and it will have a significant influence on the impact and project outcome. It will be used to increase the results of tasks in WP5, WP7 and WP1 and help to establish sales after the project has ended.

### The challenges ReconCell Inc. will face during sales processes

Internationalization and expansion of the market of industrial robots for automation has increased the number of submitted orders for such robotic solutions. At the same time, two critical issues arise: 1) high number of orders that create a high degree of sales uncertainty and 2) communication issues within sales processes.

1) High numbers of orders create a high degree of sales uncertainty. Internationalization and the increase of sales bring more submitted orders for industrial robots for automation. Yet, the acquisition of such sales projects is affected by competitive actions and certain conditions so that project orders can only be successful with specific probabilities. The sales acquisition can be extended over several phases, from the initial submission of an order to the final closing of the sale. As a potential project moves through different phases, the probability of successful sales increases because the unknown and uncertainties of the project are driven down with each stage and step. Both the company and the potential customer gain more understanding of the project and its requirements while the sales process proceeds. But this is a costly action for the company as it needs to spend a lot of time on communicating and understanding the project, even if the probability for a potential sale is low. In addition, this takes up time that

could be spent on actual development activities. This dilemma shows the need for a system that manages the risks and removes those projects with a lower degree of probability through the sales acquisition process in an early stage.

2) Industrial robot suppliers (like the future ReconCell Inc.) face communication issue within sales processes. The problem lies in long waiting times, never-

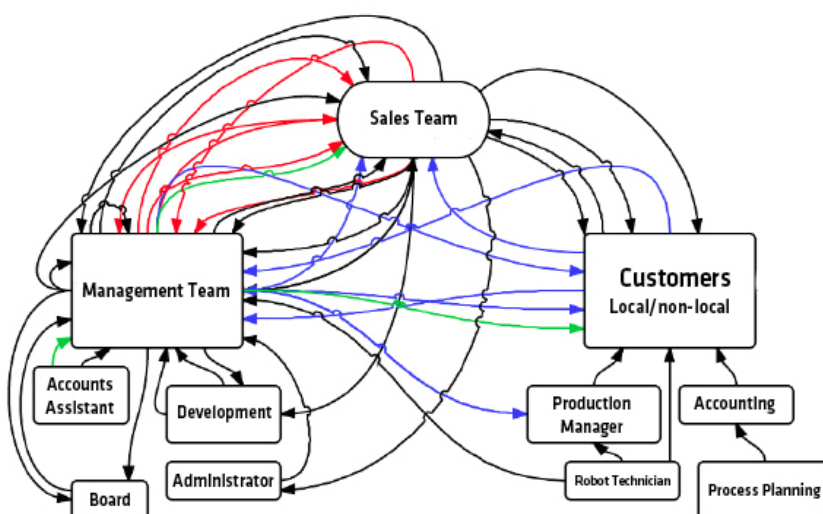


Figure 13: The current communication state map between project stakeholders

ending e-mail listings, many possible sales getting unattended and an overall lack of structure. A prior research at a Danish industrial robot supplier with a focus on automating production processes about “optimizing communication within the workflow and improving the organization’s sales process” gives us an understanding of the communication pattern and information flow between project stakeholders in a sales process. Figure 13 illustrates the current communication processes lines in one example project. The arrows indicate the amount of emails going back and forth between different stakeholders. It shows the complexity of their current sales activities, re-works and wasted time during the sales processes. Each arrow represents a high number of information packages mostly in form of emails.

The proposed Business Assessment Tool (BAT) aims to address these challenges and help with these aspects. The optimized BAT concept will help a potential future ReconCell Inc. to coordinate knowledge about the cell between partners and communicate it to customers, to reduce the touch time, facilitate project documentation, avoid missing information of projects and decisions, geographical market expansion and avoid unnecessary travels. This will make ReconCell Inc. competitive on the market compared to other industrial robot suppliers.

### The Business Assessment Tool (BAT) in ReconCell

For ReconCell, the BAT has two main goals in the project:

1. It provides a more efficient and faster way of collecting data from the members of the established network and applications from open calls to optimize the design of the workcell, prepare a business case and exchange information with the business intelligence model.
2. Improve and / or prevent communication and sales process issues such as outlined in the above example for future sales of ReconCell Inc. Here, the concept must solve the unnecessary back and forth communications between stakeholders, which will give the corporate space to operate and the sales partners space to sell the product for potential

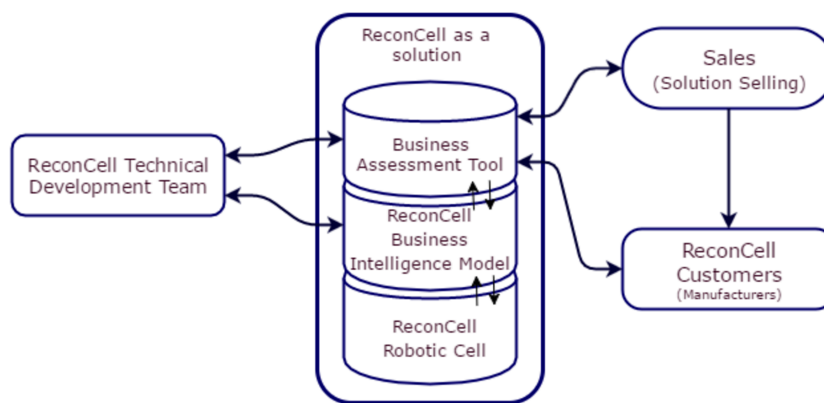


Figure 14: The sales channel and communication map of the BAT and other ReconCell parts

ReconCell for further future development innovation while giving sales partners more space to maneuver and sell without interrupting corporate management. Figure 14 illustrates an overview of the expected sales channel through the proposed sales system.

With regard to the two problems stated above, the main objectives of this part of the project is to design and develop a working online assessment system to:



- Collect feedback from potential customers or investors about the ReconCell product (technical as well as business aspects) and their products / production lines
- Facilitate potential ReconCell project documentation and analyses;
- Optimize the touch time and the data flow in the sales channel;
- Facilitate potential ReconCell project evaluation in order to prioritize projects with a higher degree of probability and remove orders with low degree of probability in the early stages of sales process;
- Facilitate and automate some processes of preparing sales quotes and sales documents
- Provide significant sales capacity and larger pipeline by improving the ability of working on several projects at once and in a larger geographical scope;
- Dilute corporate management involvement in project details;
- Learn to work in a more complex organizational structure and working with sales partners;
- See a project in real life carried on to completion.

### **How will the system work for a future ReconCell Inc.?**

Communication throughout the process must be structured and simple so that it can be understood by employees, suppliers, customers and management. Communication signifies informational flow between all the parties involved into the process. Figure 15 shows a sample of a possible overall process and the flow of work and information within the company and a scenario of how the Business Assessment Tool works.

To conclude, the development of the Business Assessment Tool will add an additional element to the ReconCell product. During the course of the project, this tool will help to collect more detailed feedback from end-users in order to create business case scenarios, establish a business plan, attract investors and shape the design of the workcell according to the users' needs. Towards the end of the project and in the post project phase, the BAT system will ease the market entry for a future ReconCell company by bridging process, stakeholders and even reporting necessities to achieve lean goals. In the long run, the system will help understanding and continuously improving towards lean thinking.

### **Modelling the ReconCell Enterprise for BAT**

For modelling and integrating BI with BAT for needed decision support an agile BI modelling, different tools and platforms are being considered. Among them, "ADOxx", meta modeling development and configuration platform, is being evaluated for a potential use. ADOxx is built on "OMiLAB: An Environment to Design and Develop Modelling Methods for Next-Generation Enterprises" (<http://www.omilab.org/>). OMiLAB is an object-oriented tool for company modelling by Enterprise Modelling standard concerning both technological and organizational aspects that need to be taken into account for realizing needed innovative, user-centric, and resilient solutions efficiently. It provides standardized machine processable languages to facilitate the interaction with models and data for simulating complex business and technological scenarios, by engaging in knowledge management and by supporting engineering. It directly contributes to the design, implementation, use, and evaluation of solutions with BAT.

The created Extended Entity-Relationship (EER) Model is used for describing system Entities, Relationships and Attributes Cardinalities, Identifiers and Generalization Documentation as EER Diagrams and Business Rules. It is a conceptual (or semantic) data model, capable of describing the data requirements for a new information system in a direct and easy to understand graphical notation. Data requirements for a database are described in terms of a conceptual schema; EER schemata are comparable to UML class diagrams.

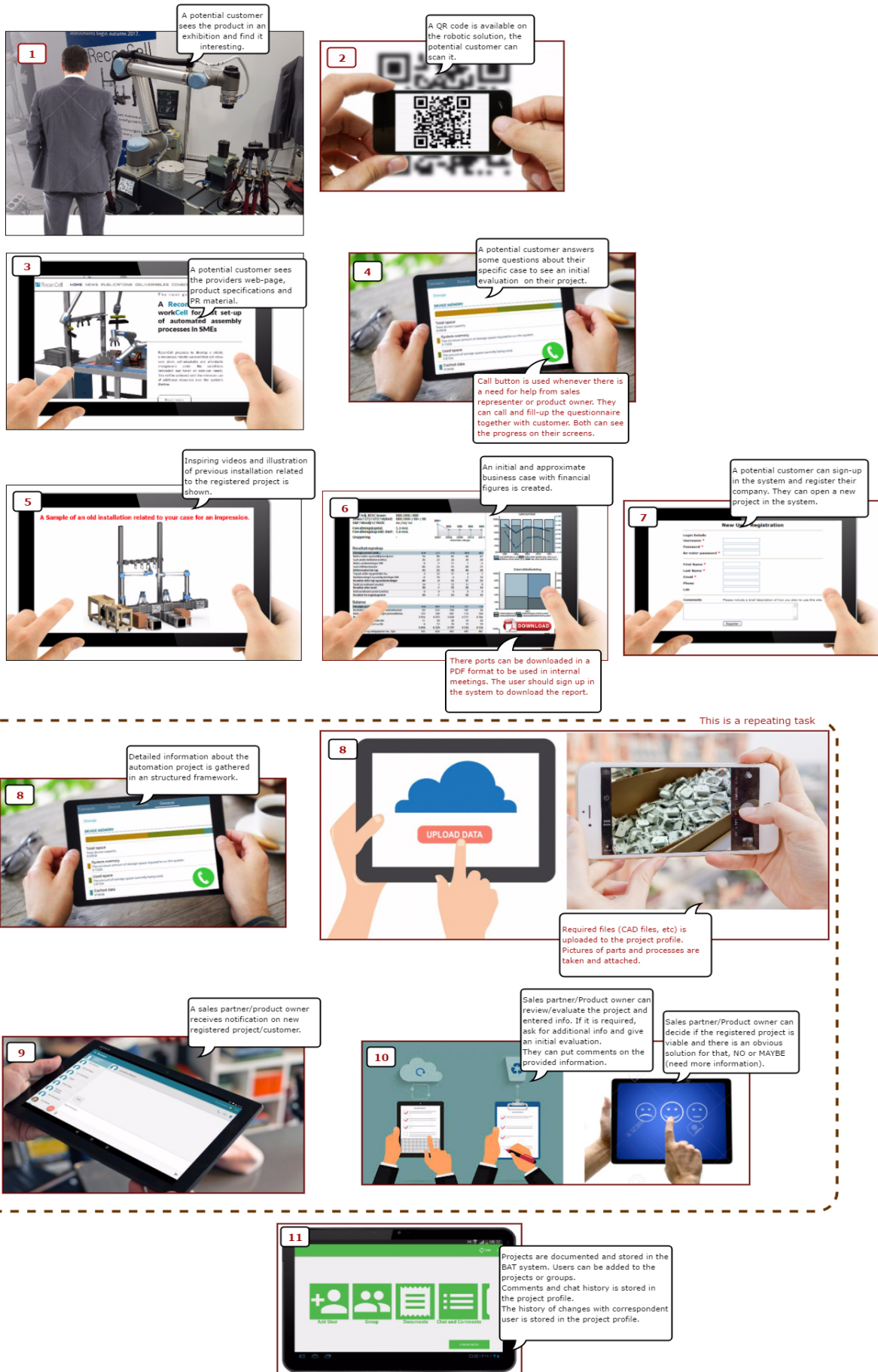


Figure 15. A possible overall process and the flow of work supported by BAT



## 5.2 Hexapod

### Hexapod Company

The ambition of the ReconCell project is not only to commercialize the ReconCell workcell, but also to investigate additional products that could potentially be commercialized. We believe that the Hexapod reconfigurable fixture platform (see Figure 16) could be a specific component of the ReconCell project that has the potential to be established as an independent company supplying the Hexapods for areas in assembly production as well as outside of it, both in fully automated and in manual setups. An example for another area could be a fixture for a manual welder that needs the fixture (and the part) in very specific poses. Blue Ocean Robotics is currently working on a business plan for the Hexapod company, which will be finished mid-November and added to this deliverable when finished.



*Figure 16: Hexapod reconfigurable fixture platform*

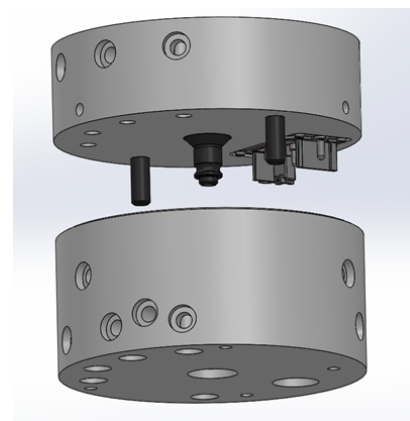
Hexapod will deliver reconfigurable or adaptive tooling, which is a concept that allows for the rapid reconfiguration of fixtures, either automatically or manually. There are many benefits to the use of these flexible systems, some of these are as follows:

- Increased cost efficiency through the re-use of fixture components in multiple projects.
- Reduced fixture design lead times due to the use of dedicated design apps.
- Remove the limitations of traditional fixture design which requires component geometry and datum's to be locked months in advance of manufacture,
- Cut fixture build lead times due to the use of off-the-shelf modular components.
- Facilitate single piece flow in multi-product processes.

Thus, if realized the Hexapod company will utilize a number of different reconfigurable tooling systems independently and in conjunction with each other in order to provide the optimum solution to meet their customer's needs. The company ownership setup will need to be defined in more detail. However, the idea is to build a company on top of the technical and market awareness achievements from the Reconcell project. For sure the company will only be able to grow with a substantial money injection from an investor. Thus, our first aim is to create a business plan outlining technology development and potential business into the coming years.

## 5.3 Robo-Coup

Another innovation originating in the ReconCell project that could potentially be commercialized in the future is Robo-Coup (see Figure 17). Robo-Coup is a coupling system that transmits power, compressed air and ICT signals and is made to connect robots and all kind of peripheral equipment. Robo-Coup was designed by Ingemann / PRZM to meet the specific need of the ReconCell project, which is to interface with the robotic tools at a low price. ReconCell is also in contact with other companies that could offer a more advanced version if demanded by customers.



*Figure 17: Robo-Coup*

Technical specifications for the Robo-Coup are as follows:

- Repeatability:  $\pm 0,05\text{mm}$
- Forces: 3.200N in all directions
- Torques: up to 1.500Nm in all directions
- Power connection (Weidmüller – Heavy duty)
- 400V / 6 kW
- Modular system
- Transmission of ICT signals: network 8 pins
- Transmission of compressed air: 8 bar, pneumatic  $\frac{1}{2}$ "
- To connect: no additional force
- To disconnect: compressed air, max 2.5 bar
- Mechanical gland: compensation of inaccuracies up to 30 mm

## 6. Conclusion

In this document, we presented the first report on how we envision ReconCell Inc. and described our plans on how to practically achieve this vision. Furthermore, we have drafted the most important agreements between stakeholders and outlined the possible spin-out products, which are a valuable part of the ReconCell project. We also described a detailed plan on how the foundation of the development and commercialization, the networks, will be established to support the process of funding a ReconCell company. It is important to keep in mind that this document is a first draft of our vision and will be refined based on the development progress in the project and the feedback from all consortium partners.

## Appendix 1

### **Addendum to Consortium Agreement for an Innovation Action under the Horizon 2020 Framework Program of the European Union**

#### **The Parties:**

*Jožef Stefan Institute, the Coordinator*  
*Syddansk Universitet,*  
*Rheinisch-Westfaelische Technische Hochschule Aachen,*  
*Georg-August-Universitaet Goettingen Stiftung Oeffentlichen Rechts,*  
*Blue Ocean Robotics ApS,*  
*Innovaatio Oy Uusi Tehdas,*  
*ELVEZ, proizvodnja kableske konfekcije in brizganje plastičnih mas, d.o.o.,*  
*UAB Precizika Metal,*  
*LOGICDATA Electronic & Software Entwicklungs GmbH*  
hereinafter, jointly or individually, referred to as "Parties" or "Party"

**have agreed** to the following addendum to the **Consortium Agreement**.

The Consortium Agreement is based upon REGULATION (EU) No 1290/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2013 laying down the rules for the participation and dissemination in "Horizon 2020 – the Framework Program for Research and Innovation (2014-2020)" (hereinafter referred to as "the Rules"), and the European Commission Multi-beneficiary General Model Grant Agreement and its Annexes, and is made on November 1st, 2015, hereinafter referred to as the Effective Date between the Parties relating to the Action entitled "**A Reconfigurable robot workcell for fast set-up of automated assembly processes in SMEs**", in short "**ReconCell**", hereinafter referred to as "Project".

The Parties, having considerable experience in the field concerned, had submitted a proposal for the Project to the Funding Authority as part of the Horizon 2020 – the Framework Program for Research and Innovation (2014-2020). The Parties wished to specify or supplement binding commitments among themselves in addition to the provisions of the specific Grant Agreement to be signed by the Parties and the EC (hereinafter "Grant Agreement"). The Parties were aware that the Consortium Agreement was based upon the DESCA model consortium agreement.

**1. Purpose of the Addendum.** The purpose of the Addendum is to agree among the partners on the conditions as well as on the time-line for starting the ReconCell company, as one of the milestones in the project. The contractual Parties agree and shall fulfil all obligations arising from this agreement.

**2. Product Specification.** *(to be decided by all partners)*

#### **3. Rights.**

According to the general consortium agreement, a party can be part of the ReconCell company in two ways.

Either 1: As a co-owner with specific contributions to the company and with a relative ownership reflecting that contribution following a joint decision among the owner-candidates.

Or 2: As a licensor to the ReconCell company.

If a party has a contribution and decides to act under 2 as a licensor the following possibilities for a license agreement is possible, and will reflect the terms of the licensing agreement:

When granting or receiving a license under intellectual property rights, the Parties in between shall consider which level (one out of the three levels) of exclusivity that shall be granted.

The three levels of exclusivity are as follows:

**Level 1: *Full exclusivity*:** means that no person or company other than the named licensee can exploit the relevant intellectual property rights. Licensor is also excluded from exploiting the intellectual property rights.

**Level 2: *Exclusivity on system level*:** On this level the license takes a middle-ground between “Full exclusivity” and “Non-exclusivity”. This means the licensor can grant a license to more than one licensee, at a technology, sub-module or component level, but only outside of the system (product) description presented in §2. The group of licensees must be identified by name, description (a license will only be granted to licensees who meet certain criteria), and thus known to the consortium. This also means that the license can be used outside the field.

**Level 3: *Non-exclusivity*:** A non-exclusive license grants to the licensee the right to use the intellectual property, but means that the licensor remains free to exploit the same intellectual property and to allow any number of other licensees to also exploit the same intellectual property.

#### **4. Non-competing products or fields.**

As a cornerstone in the cooperation in the EU project, the formation of the ReconCell company must be based on a strong product platform as well as business agreement among the parties. It is therefore important that each party:

- Supports the developments in the ReconCell company, such as to continue R&D in the area and contribute knowledge to the company within a specified field of commercialization. This can be directly within the ReconCell project or through further work done by researchers or students.
- Contribute to the commercialization with their respective technologies, sub-systems or even components, as well as sales partner network and business competence, as laid out in the consortium agreement. The parties can still use their knowledge and commercialization at exclusivity level 2, although not in directly competing assembly systems.
- Participates in the formation of the ReconCell company either through licensing or as a direct co-owner. In case a party do not have direct contributions to the ReconCell company, it will still be an advantage for ReconCell to continue to have a cooperation agreement with such parties.

In this understanding the field of commercialization is formulated below.

#### **5. The field of commercialization.**

The field is defined as:

“Assembly processes in manufacturing based on ReconCell system(s)”.

#### **6. Exclusivity on system level.**

#### Addendum to ReconCell Consortium Agreement

The Parties agrees that the level of exclusivity that shall be granted is Level 2, *Exclusivity on system level* and conditions for a licensing agreement shall be negotiated between that licensing party and the new ReconCell company. If other levels of exclusivity is decided it must be agreed to by all parties.

#### 7. Contributions.

To be able to specify the contributions from participating parties in the ReconCell company, the following must be fulfilled:

All parties agree on a commercial model, as part of the business plan, for selling ReconCell's including and the balance between

- Limits on summarized cost for IP from stakeholders
- Upside model for IP stakeholders and other contributors (co-ownership or licensing model)

All parties agree on their future role in ReconCell Inc.

- Owner / IP License holder / close stakeholder
- Contribution in project period
  - Technical
  - Focused resources
- Contribution after project
  - Technical
  - Focused resources

Agree with legal departments of each party on Stakeholder and Involvement model, as well as this addendum to the Consortium agreement. The contributions from each party is summarized below and will be the basis of the legally binding agreement between each party and the ReconCell company:

Party	Contributions	Co-owner (percentage)/licensor/supporter
<i>Jožef Stefan Institute, the Coordinator</i>		
<i>Syddansk Universitet</i>		Licensor
<i>Rheinisch-Westfaelische Technische Hochschule Aachen</i>		
<i>Georg-August-Universitaet Goettingen Stiftung Oeffentlichen Rechts</i>		
<i>Blue Ocean Robotics ApS,</i>	<ul style="list-style-type: none"><li>- System know-how</li><li>- Sales partner network</li><li>- Marketing</li></ul>	Co-owner (50%)

**Addendum to ReconCell Consortium Agreement**

<i>Innovaatio Oy Uusi Tehdas,</i>		
<i>ELVEZ, proizvodnja kabelaške konfekcije in brizganje plastičnih mas, d.o.o.,</i>		
<i>UAB Precizika Metal,</i>		
<i>LOGICDATA Electronic &amp; Software Entwicklungs GmbH</i>		

**8. License agreements**

A draft version of a licensing agreement is presented as part of this agreement, that shall regulate the licensing fees accepted by the ReconCell company to each licensor party. The general principle shall be that a percentage of the profit made by ReconCell is paid out annually to the licensor according to the agreement. A typical licensing percentage shall be in the range of 2-8%. The agreement shall be time-limited to 5 years after completion of the ReconCell EU project.

**9. Co-ownership**

The co-ownership shall be based on clear contributions and shall be evaluated before. An outline on the co-owners will be made based on all contributions or license agreement and with which part they contribute and how much each co-owner owns of the company. In the event a co-owner cannot fully or partly fulfil its contributions to the company, the co-owner shall accept a reduction in his ownership.

**10. Legal Terms.**

- a. This Addendum shall be construed in accordance with and governed by the laws of Belgium.
- b. This Addendum may be subject to additions and amendments in order to comply with the provisions of paragraph 1.

**11. Language.** English will be the working language between the Partners.



**12. Signatures.** As witness: The Parties have caused this Addendum to the Consortium Agreement to be duly signed by the undersigned authorised representatives.

**(INSERT NAME)**

Signature:

---

Name: (INSERT NAME)

TITLE:

DATE:

STAMP:

**(INSERT NAME)**

Signature:

---

Name: (INSERT NAME)

TITLE:

DATE:

STAMP:

**(INSERT NAME)**

Signature:

---

Name: (INSERT NAME)

TITLE:

DATE:

STAMP:

## Appendix 2

# Certificate of incorporation

ReconCell Inc.

Undersigned                      Blue Ocean Robotics Holding ApS  
  CVR.nr. 36 02 24 18  
  Niels Bohrs Allé 185  
  5220 Odense SØ

and

NAME

ADDRESS

hereby incorporate a limited liability company with the company name:

ReconCell Inc.

(hereinafter - the “Company”)

The following persons shall be appointed as Board of Directors:

NAME

NAME

Name is elected as the chairman

The following person shall be appointed as managing director:

NAME

**1. Articles of association**

- 1.1. The legal relationships of the Company are governed by its articles of association that are attached as Appendix A.

**2. Share capital & subscription price for shares**

- 2.1. The share capital is nominally Euro/DKK xxxx, which is divided into shares of a nominal of Euro/ DKK 1.
- 2.2. The subscription rate for the shares is 100. Subscription period and payment of the shares to the Company must be issued no later than DATE.

**3. Date of incorporation**

- 3.1. The incorporation of the Company shall have effect from DATE, 2016.

**4. Fiscal year & audit**

- 4.1. The incorporation of the Company shall have effect from DATE.
- 4.2. The first fiscal year is a shortened fiscal year lasting until December 31<sup>st</sup>, 2017, thereafter the Company's fiscal year is equivalent to the calendar year.
- 4.3. The Company's annual reports shall be audited by Rosegaard & Partners Statsautoriseret revisorselskab, Sønderbrogade 16, Postboks 68, 8700 Horsens.

**5. Formation costs**

- 5.1. The costs of the foundation of the Company are borne by the Company up to an amount of Euro/ DKK xxxx excluding VAT.

The undersigned hereby incorporates the Company, and subscribes to the amount of capital stated under each founder's signature without reservations.

Date:

Founder: Blue Ocean Robotics Holding ApS

Signatures:

\_\_\_\_\_  
Claus Risager

\_\_\_\_\_  
John Erland Østergaard

\_\_\_\_\_  
Rune Klausen Larsen

Subscribed capital:      xxxx    Euro/ DKK

Date:

Founder:

Signature: \_\_\_\_\_

Subscribed capital:      xxxx    Euro/ DKK

Appendix: Appendix A (articles of association)

## Appendix 3

# Appendix A: Articles of association

ReconCell Inc.

**1. Name**

- 1.1. The name of the company shall be ReconCell Inc.

**2. Purpose**

- 2.1. The company's purpose is to (to be specified), and other associated activities.

**3. Capital**

- 3.1. The nominal share capital of the company shall be DKK 50.000.

**4. Shares**

- 4.1. Each shares stated value is DKK 1.
- 4.2. The shares shall be noted by name, and shall be registered in the company's register of shareholders.
- 4.3. The shares are non-negotiable.
- 4.4. No shares shall have special rights.
- 4.5. No shareholder shall be obliged to have his shares redeemed wholly or partly by the company or others.

**5. Limitations on negotiability**

- 5.1. Any transition, including the pledging of shares requires the Board of director's prior unanimous approval.
- 5.2. In addition, no restrictions shall apply to the capital share-negotiability.

**6. General assembly**

- 6.1. The general assembly is held in the municipality where the company has its business address.
- 6.2. The annual general assembly shall be held each year in such due time, for the approved annual report to be handed over to the Danish Business Authority no later than the expiry of the deadline pursuant to the Danish Financial Statements Act.

- 6.3. Extraordinary general assembly shall be held, when the director of the company or the auditor, elected at the general assembly, demands it.
- 6.4. Notification shall be made with no more than four (4) weeks, and at least two (2) weeks' notice. Notification of extraordinary general assembly shall be made within two (2) weeks' after the request is made.
- 6.5. Notification shall specify the time and place of the meeting, and the agenda stating the topics to be treated. If, at the general assembly there is to be treated amendment proposals, the agenda shall indicate the essentials of the proposal.
- 6.6. Within two (2) weeks before the general assembly, the agenda and the complete proposals, and – for annual general assembly - as well as the annual auditors report, must be made available for inspection by the shareholders at the company's office.
- 6.7. The agenda of the annual general assembly shall include the following:
1. Election of chairman of the meeting
  2. Report on the company of the meeting
  3. Approval of the auditors annual report
  4. Election of Board of director's
  5. Election of auditor
- 6.8. The negotiations on the general assembly is led by a chairman, appointed by the general assembly.
- 6.9. A summary of the general assembly must be recorded in the company's minutes of proceedings. The summary shall be signed of the chairman.
- 6.10. The shareholders can unanimously make decisions otherwise, instead of conduction a general assembly. In such cases, the Board of directors shall draw up a protocol of proposed decisions. The Board of directors shall then redirect the protocol for the approval and signature of all shareholders.

## **7. Voting rights**

- 7.1. At the general assembly, each share of DKK 1 gives the right to cast one vote.
- 7.2. The shareholders are granted the opportunity to cast their vote in writing to the Board of directors, prior to the general assembly. Each vote received by the company is binding for the shareholders, and cannot be revoked.

## **8. Communications**

- 8.1. The management of the company may on behalf of the Board of directors submit all notices to the shareholders of the company pursuant to the Danish Company's Act or the articles of



association by electronic mail, and documents may likewise be presented or sent electronically.

- 8.2. The management of the company may solicit the company's registered shareholders to provide an electronic address, to which notices, cf. section 8.1 can be sent. All shareholders must ensure, that the company is at all times in possession of their correct electronical addresses.
- 8.3. Information regarding requirements to applicable systems, and the use of such electronic communication shall be provided directly to the shareholders or through the company's website by the management of the company.

## **9. Board of directors**

- 9.1. The shareholders must elect a Board of directors, consisting of three members. The Board of directors elects its officers and its chairman at the first board meeting.
- 9.2. The Board of directors shall specify further rules for the board members' communal competence and business conduct in a rules of procedure for the board.

## **10. Subscription rule**

- 10.1. The company shall for the time being be subscribed by the company's manager and the chairman of the board jointly, or by the complete board only.
- 10.2. The manager of the company may act on his own within a further specified management instruction if the management instruction is approved by a complete board.

## **11. Auditor**

- 11.1. The company's annual revision report shall be audited by a chartered or registered accountant.
- 11.2. The accountant is elected by the annual general assembly for one year at a time.

## **12. Financial year**

- 12.1. The company's fiscal year shall commence from the January 1<sup>st</sup> to December 31. The first fiscal year beginning at the date of foundation of the company and lasting until December 31, 2017.

## Appendix 4

# Register of shareholders

**ReconCell Inc., CVR-nr. XX XX XX XX**

The Company's shares are distributed on shares of nominally DKK 1. Each nominal share amounts for 1 vote. There hasn't been issued certificates of shares.

NR.	Shareholders name, CVR-number & business address	Nominal share amount (Euro/ DKK)	Associated voting rights	Pct. of voting rights or capital	Date of acquisition, disposal or mortgaging	Date of entry in the register of shareholders	Comments
	Blue Ocean Robotics Holding ApS  CVR: 36 02 24 18  Niels Bohrs Allé 185,  5220 Odense SØ	xxx Euro/DKK		50 %			
	NAME  CVR: xx xx xx xx ADDRESS	Euro/DKK		50 %			
Total		DKK		100 %			

## Appendix 5

# SHAREHOLDERS AGREEMENT

(hereafter referred to as "The Agreement")

between

Blue Ocean Robotics Holding ApS  
CVR.nr. 36 02 24 18  
Niels Bohrs Alle 185  
5220 Odense SØ

(hereafter referred to as Party A)

and

NAME

ADDRESS

(hereafter referred to as Party B)

(where Party A and Party B are mentioned collectively, they shall be referred to as the "Parties")

regarding the Parties ownership of shares in

ReconCell Inc.

Cvr. Nr.

ADDRESS

(hereafter referred to as the "Company")

## § 1

### Purpose of the Agreement

- 1.1. The purpose of the Agreement is, that the Parties jointly own shares in the Company.

## § 2

### The Agreement pursuant to the articles of association

- 2.1. The Parties undertake to exercise their rights as shareholders of the Company in accordance with the terms of the Agreement and Company's articles of association.
- 2.2. In the event of any inconsistency between this Agreement and the applicable articles of association, the Agreement shall prevail, provided that the Danish Company Act does not provide hindrances in such a case.
- 2.3. The Parties are aware, that the Agreement does not legally bind them towards the Company, cf. the Danish Company Act § 82, however, should a Party violate the provisions of the Agreement, the non-defaulting Party shall have the right to purchase the defaulting Party's shares in the Company pursuant to § 10, and may subsequently claim compensation for their losses, as such a violation constitutes a material breach.

## § 3

### Purpose of the Company

- 3.1. The Company's aim is to (to be specified) and other associated activities.
- 3.2. The activities and purpose of the Company can only be amended/ and or modified, prior to the Parties joint and unanimous decision thereof.

## § 4

### Capital structure

- 4.1 The share capital shall at the effective date of The Agreement of nominal capital of DKK 50.000 that is invested, divided into shares of with a nominal value of DKK 1 each of which carries one vote.

The share capital of the Company is denominated as listed below:

Shareholder	Ownership	Amount of shares
A	50 %	xx
B	50 %	xx

- 4.2 None of the Parties shall be obliged to deposit additional funds in the Company, and none of the Parties are obliged to provide security for the Company's obligations.
- 4.3 The Parties shall have a proportional pre-emption right for any capital increase in the Company, whether provided by cash payment or non-cash contributions.

## § 5.

### The Company's management and operation

- 5.1. The Company is managed by an Executive Board. The Board of Directors appoints the Executive Board members, with the exception that all the Parties must agree to the composition of the Executive Board. So far, the Executive Board of the Company consists of (to be specified).
- 5.2. The daily management shall not include transactions, which are deemed to be unusual or of great importance to the Company, including, but not limited to, any decision pursuant to pt. 6.1.
- 5.3. The Parties shall at all times be kept informed of the Company's operations and finances, as well as the Company's position in general. Each Party shall have free and unhindered access to all documents and matters concerning the Company.
- 5.4. There shall be appointed a Board of Directors of a total of X persons. The Board of Directors consists of (to be specified). X is to take over as Chairman of the Board and shall mainly act as a coordinator at the board meetings and without special status regarding votings. As the company is established as a close cooperation between XX and xx, any disagreement shall be clarified at the Board by both parties' intention on reaching a compromise by talking about solutions that are best for the development of the company. It is not desirable with a majority partner in a constellation as this one as it cannot be decided who shall be the majority partner.
- 5.5. The Executive Board and the Board of Directors is unpaid until otherwise agreed upon.

## § 6.

### Significant decisions

- 6.1. All decisions concerning the Company's daily management are taken by the Executive Board, while the passing of all other decisions requires unanimity of the Parties.

Among the decisions, who require unanimity between the Parties may include:

- a) The appointment and dismissal of staff of the Company or the Company's subsidiaries, with the exception of casual worker's assistants, see however, pt. j.
- b) Investments or financial transactions beyond DKK 40.000 + VAT in the Company or its subsidiaries.
- c) Credit assistance beyond normal credit period in the Company or its subsidiaries.
- d) Entering into significant trade contracts or other contracts which may be deemed significant, including joint venture-agreements in the Company or its subsidiaries.
- e) Entering into agreements between the Company or its subsidiaries and a Party, or the Party which controls one of the Parties.
- f) Money loans and/or guarantees and bill of exchanges in the Company or its subsidiaries.
- g) Amendments of the Company's or its subsidiaries articles of associations.
- h) Amendments of the Company's or its subsidiaries principles of accounting.
- i) Payment of dividends and the amount thereof.
- j) Amendments in the terms of employment with the Company, including remuneration.
- k) The Company's or its subsidiaries liquidation or participation in mergers, divisions or corporate restructuring.
- l) Recording/entries of new shareholders in the Company or its subsidiaries.
- m) Expansions or changes in business areas- or strategies.
- n) Transactions of the Company's or its subsidiaries intellectual property rights.
- o) The Company's establishment of wholly or partially owned subsidiaries.

6.2. The exemplification in pt. 6.1 cannot be considered exhaustive.

## § 7.

### Share capitals

- 7.1. The share capitals in the Company may not be disposed of without the prior written consent of the other Parties, except in cases covered by this Agreement.
- 7.2. Any transfer of shares to third parties is subject to the third party joining this Agreement in its entirety.
- 7.3. A Party may only mortgage its shares in the Company to a third party, with the remaining Parties written consent, and subject to the mortgagee making a written declaration to the other Parties, to abide to the Agreement in its entirety.
- 7.4. The voting right for a share can only be transferred along with the share, and thus cannot be mortgaged.

## § 8.

### Right of pre-emption

- 8.1. None of the Parties may voluntarily transfer its shares in the Company, without having first offered the shares to the other shareholders at either, (i) the price at which the Parties may agree upon, (ii) the rate which a third party may have offered in writing, formulated as a tender offer, and which the selling

Party may wish to accept, or, if there is no offer from a third party, (iii) the market price determined in accordance with pt. 8.2.

- 8.2 Should a Party wish to sell its shares in the Company, in the absence of an offer from a third party which the selling Party wishes to accept, that Party shall in writing inform the remaining Parties hereof accordingly, and at the same time solicit the Company's auditor to determine the value of the selling Party's share holdings, in accordance with the following:
- 8.2.1 The value of the shares shall be determined for the Company's expense. The value must be determined on cash terms as the proportionate share of the Company's total market value, including consideration of the Company's future profitability (goodwill), net interest-bearing debt, as well as cash and working capital.
- 8.2.2 The auditor shall use his best discretion in determining the value of the shares.
- 8.2.3 If there is allocated dividends on the shares after the time, by which they are evaluated, the price is reduced by the dividend amount.
- 8.2.4 Each of the Parties may on its own account bring in the value determined by the Company's auditor to one of the FSR – Danish Accountants ("FSR") appointed surveyor. Referral of the pricing for FSR must be made within 14 days' after the notice of the Company's auditor has arrived at the Parties. Otherwise, the right to bring in the valuation of the shares for the FSR is void, and the auditor's assessment cannot be referred to arbitration. The value then determined by the surveyor is decisive, and cannot form the basis of arbitration.
- 8.2.5 When the price is finally determined, the auditor, respectively the surveyor, shall immediately inform the Parties hereof in writing. The final assessment will provide a statement of the Company's total value.
- 8.3 The pre-emption right is initiated by the selling party making a written offer to the other Parties, that they may exercise their pre-emption right.
- A Party is only entitled to transfer its entire equity.
- 8.4 The offer must contain information on the course, and of the other terms on which the offered shares must be purchased. Remuneration for the shares must be rectified in cash.
- 8.5 If there is an offer for the purchase of the selling Party's shares in the Company, or all the shares by the Parties, or if there have been negotiations with a third party, the third party's identity, the contents of the announced offer, respectively the content of the negotiations and the outcome of the negotiations must be disclosed.
- 8.6 The deadline is 4 weeks from the date of which, the offer to exercise the pre-emption right has reached the entitled Parties. There must be a submitted written acceptance. To the extent that both Parties wishes to acquire the withdrawing party's shares in the Company, the other Parties shall be entitled to the withdrawing parties shares in proportion to their shareholding in the Company.

If only one of the Parties wishes to acquire the withdrawing Party's shares, this Party is obliged/ and or entitled to acquire the entirety of the shares of the withdrawing Party.



- 8.7 If none of the entitled Parties wishes to buy the offered shares, the pre-emption right is discontinued. The offering Party is then, within a period of 30 days after the expiration of the acceptance deadline, entitled to transfer the offered shares to a third party, on terms equivalent to or better than the those offered to the other shareholders. Should the offered shares not be transferred to a third party within the 30-day deadline, the previous provisions on pre-emption right must be observed anew, if the shares are subsequently to be transferred.
- 8.8 Transfer by merger or demerger under the Danish Company's Act also triggers the provisions of pre-emption right, regardless of whether or not a Party is the merging of the continuing company.
- 8.9 The purchase price shall be paid in cash concurrent to the execution of the transfer.
- 8.9.1 The acquiring Parties are entitled to request, that the purchase price is to be paid in 3 equally large installments, with the first installment being due upon time of acquisition, the second installment being due two years after the transfer and the third installment due three years after the transfer. The outstanding balance of the purchase price is a fixed interest at the discount rate plus 5 % per annum from the time of the transfer.
- 8.9.2 Notwithstanding provision 8.9.1, the offering Party may demand, that the full purchase price be paid in cash at the time of the transfer, providing a cash discount of 15 %.
- 8.10 The acquiring Parties shall be entitled to provide a third party as a purchaser of the shares, on the abovementioned conditions.

## § 9.

### Purchase right

- 9.1 If a Party wishes to transfer his/hers shares by gift, or if the shares are the subject of seizure, outlay or by the onset of a Party's liquidation, insolvency or bankruptcy or any other transfer of a Party's shares, which are not already covered by the provisions of chapter 8, the remaining Parties acquires a proportionate purchase right to the concerned Party's shares in the Company.
- 9.2 Should an event occur, which triggers a purchase right under this Agreement, the Party, respectively, the Party's estate whose securities are the subject of the purchase right, is obliged to immediately inform the other Parties and the Company's auditor at the onset of such an event, and procure the Company's auditor to (i) evaluate the concerned shares, cf. § 8.2.1 and, (ii) without undue delay to inform the Parties that an assessment is initiated, and that the other Parties have an option to purchase the shares in accordance with this Agreement.
- 9.3 Once the price of the shares has been finally determined, the auditor, respectively the surveyor, shall immediately inform the Parties hereof in writing. The thus determined value, is the value to be taken into consideration upon exercising the purchase right.
- 9.3.1 If the event which triggered the purchase right is due to a Party's securities being subject to seizure, outlay or by the onset of a Party's liquidation, insolvency or bankruptcy, a deduction of 30 % of the shares value is made.

- 9.4 The period of acceptance is 4 weeks from the time the entitled Parties have received information concerning price and right of purchase. The entitled Parties must submit their written consent to the transferring Party, respectively his estate. Acceptance submitted, prior to the auditor's assessment being duly brought before the FSR shall be null and void.
- 9.5 Acceptance can only be submitted for the purchase of the shares offered in their entirety.
- 9.6 To the extent that the other Parties wishes to exercise their purchase right, the purchase right shall be for the remaining Parties' in proportion to their shares in the Company.
- 9.7 The purchase price is paid in cash concurrent to the transfer.
- 9.7.1 The acquiring Parties is entitled to claim the purchase price paid in 3 equally proportionate installments, with the first installment being due upon acquisition, the second installment being due two years after the transfer and the third installment being due three years after the transfer. The outstanding balance of the purchase price is fixed interest at the discount rate plus 5 % per annum from the time of transfer.
- 9.7.2 Notwithstanding provision 9.7.1, the offering Party may require the total purchase price paid in cash at the time of the transfer, providing a 15 % cash discount.
- 9.8 If none of the entitled Parties wishes to buy the offered shares in the Company, or has not submitted a timely acceptance, the purchase right shall cease to exist.
- 9.9 The acquiring Parties can agree to provide a third party to purchase the shares in accordance with the abovementioned terms.

#### § 11.

##### Dividend

- 11.1 The Company's dividend policy is organized by the general assembly, with due regard to applicable legislation, the Company's future consolidation needs and proper operation of the Company.

#### § 12.

##### Tag-along right

- 12.1 In the event that one or more of the Parties wishes to sell all their shares in the Company or a part of it to an independent third party, so that the third party gains control of the Company in accordance with the at all times applicable provisions of the Danish Company Act, the selling Parties are obliged to make the transfer conditional upon the third party taking over the other Party's shares in the Company, such that the Party concerned is granted a tag-along right.

- 12.3 In the event that a Party wishes exercise its tag-along right, any transfer shall be made to the same price and on the same terms of all the Parties investments.
- 12.4 The provisions of pre-emption right under § 8 applies to a tag-along right, so that the offering Parties are obliged to offer its shares to the other Party, before exercising its tag-along right. Only in the event, that the other Party does not utilize its option to purchase, the rules on tag-along comes into effect.

§ 13.

Takeover by default

- 13.1. In the event that a Party significantly defaults his/her obligations in the Agreement in a way that there is an evident and acknowledged default that either cannot be rectified by claim or is a recurrence of previous default, the other Parties acquire a option to purchase to the equity investment in the Company of the Defaulting Party.

The Non-Defaulting Parties shall be entitled of their own choice either (i) to acquire the Defaulting Party's equity investment after quotation and on terms in general as aforementioned in §9, as the estimation is deducted 30 % pursuant to §9.3.1, or (ii) to require total sale of all the equity investments in the Company of the Parties or any liquidation of the Company, as there by the sale or liquidation must occur decrease with 30 % of the Defaulting Party's yield that is shared between the other Parties in proportion to their equity investments of the Company.

§ 14.

The Purchaser's acquisition of the Agreement and obligations in Annual General Meetings, Management Meetings et cetera.

- 14.1. The rights and obligations the Agreement ascribe, respectively require, the Parties, shall also be applicable to any Purchasers of the equity investments, however the occurrence of the acquisition.
- 14.2. In any event that the Agreement ascribes one Party the rights and obligations, the Parties or their authorised to the Annual General Meeting of the Company and in other forums by voting have the obligation to ensure that they are executed.

§ 15.

Competing Company as the Owner of Capital

- 15.1. None of the Parties shall, as long as they are Owners of Capital directly or indirectly of the Company, in any way directly or indirectly compete or directly or indirectly take interest in any company that compete with the Companies or in any way directly or indirectly recruited in or in any way work for any company that manage competing company with the Companies. Only non-listed competing companies are discussed.

§ 16.

#### Obligations of loyalty

- 16.1. The Parties are obliged to both during and after termination of the cooperation pursuant to the general Danish rules of obligations of loyalty in contracts and conditions of employment as well as §19 of the Marketing Law to respect the knowhow, trade secrets et cetera and the intellectual property rights or in another way protected rights that are entitled the Company or any subsidiaries, or that the Company or any subsidiaries have a right to, and that are provided by the Company's business.

#### § 17.

#### Termination and amendments

- 17.1. The Agreement is irrevocable.
- 17.2. Any amendments in the Agreement are only valid, if the amendments are made by establishment of one of Party's signed amendment to the Agreement that accordingly are stated/notified to the Company.
- 17.3. The Parties agree upon, the Companies shall enforce immediately and directly, the rights that are ascribed to the Companies in accordance with the Agreement.

#### § 18.

#### Applicable rules and arbitration

- 18.1. The Agreement and associated agreements are settled pursuant to the Danish Law.
- 18.2. Any dispute between the Parties and the Ultimate Owners of the Parties regarding the Agreement, including disputes related to the existence or validity of the Agreement, however, shall not stand trial, but must be settled by arbitration.
- 18.3.1 Any breach that may be sanctioned by bailiff's court, however must be pursued by the court of law.
- 18.4. The Court of Arbitration shall be assembled by one of each of the disputing Parties' selected arbitrator, and together they select an umpire.
- If agreement upon an umpire cannot be achieved no later than 4 weeks after a written proposal on this is submitted from one of the Parties to the others, the selection of the umpire is assigned to the President of Sea and Commercial Court in Copenhagen.
- 18.5. The Court of Arbitration shall settle the rules of processing of cases by itself. In general, it is referred to the Danish Law of Arbitration, "lov nr. 553 af 24. juni 2005".

\*\*\*\*

Signatures on the next page.

Date:

A, Blue Ocean Robotics Holding ApS

Signatures:

\_\_\_\_\_  
Claus Risager

\_\_\_\_\_  
John Erland Østergaard

\_\_\_\_\_  
Rune Klausen Larsen

Date:

B, NAME

Signature:

\_\_\_\_\_  
NAME

## Appendix 6

### **Distributor agreement for ReconCell Inc. and Blue Ocean Robotics**

The parties have agreed as follows;

1. Blue Ocean Robotics shall have a non-exclusive right to sell ReconCells workcell solutions globally. Blue Ocean Robotics organizes and operates a network of Sales Partners (SP's)
2. Blue Ocean Robotics shall make a list of the SP's that are established and are under establishment in an Open-Pipeline.
3. ReconCell Inc. (ReconCell) shall warrant that SP's in Open-Pipeline cannot become distributor, reseller or by other means engaged by ReconCell directly or indirectly, unless otherwise is agreed in writing. ReconCell shall have those on the red list to examination first. The warrant shall apply in proportion to status (green = established SP's, blue = SP's under establishment, red = SP's in preliminary motivation phase) of the SP's in Open-Pipeline as follows;
  - Green; These SP's are fully protected (always warranted)
  - Blue; These SP's are protected for 4 months from they are added to the list (4 months warranty).
  - Red; These SP's are protected for 6 months from they are added to the list (6 months warranty).
4. Blue Ocean Robotics shall focus on recruiting and managing the SP's, hereunder marketing, lead-generation and sales support with emphasis on the use of digital platforms and tools.
5. Blue Ocean Robotics' role in this part shall be to gather data on specific customer projects together with the SP's and pass the contact to ReconCell. Thereafter, ReconCell shall take the steps to specifically make an offer, development, installation et cetera.
6. To be a SP on one or more of ReconCell's products, the SP MUST sign for both Blue Ocean Robotics and ReconCell.
7. For each signed SP and for each approved SP by ReconCell, ReconCell pays XX DKK, see payment terms section 14.

8. Blue Ocean Robotics' commission shall be 5 % of the invoiced amount excl VAT ReconCell sends to the SP's.
9. The pricing of the product on the market and the competition makes it possible for ReconCell to offer the SP's an equivalent sales commission on 5 % as it is ReconCell's expectation that Reconcell can sustain 10 % on itself as the producer and as the unit that takes the liability of the delivery to a customer.
10. ReconCell shall no later than 2 days after the invoicing of the SP or customer forward a copy of the invoice, after which Blue Ocean Robotics forward an invoice to ReconCell. In the event the SP does not make the payment in time, Blue Ocean Robotics postpones corresponding accrued interests.
11. The foundation for the commission shall be the total invoicing from ReconCell that shall not distinguish between the different items as hours, hardware, transport, visit, subcontractors, service, support, maintenance, spares and other items.
12. Blue Ocean Robotics may terminate this agreement with a 6-month's written notice.
13. ReconCell may terminate this agreement with a 6-month's written notice and cannot acquire the sales partners made under this agreement with Blue Ocean Robotics, unless otherwise is separately agreed. ReconCell shall be committed by a lock-up period of 24 months in correlation to the sales partners that have entered into an agreement under this agreement.
14. The terms and conditions of payment shall be 30 days net and subsequently 8 % annual interest at the regulations of Orgalime (<http://www.orgalime.org/>):
  - a. "If the Purchaser fails to pay by the stipulated date, the Supplier shall be entitled to interest from the day on which payment was due. The rate of interest shall be as agreed between the parties. If the parties fail to agree on the rate of interest, it shall be 8 percentage points above the rate of the main refinancing facility of the European Central Bank in force on the due date of payment".

This Agreement is confirmed by signature effective from today's date and replaces any former agreements about the sale:

---

NAME, ReconCell Inc.

---

Co-CEO John Erland Østergaard, Blue Ocean Robotics



## Appendix 7



### **Sales Support Agreement**

This sales support agreement is made between ReconCell Inc. and ELVES. The agreement states that ELVES shall allow potential customers of ReconCell Inc. to visit the production facilities of ELVEZ. ReconCell Inc. shall indicate the potential customer.

The potential customers and ReconCell Inc. are legally bound to respect the confidentiality of ELVES in all matters indicated by ELVES. The only purpose of the visit shall be to demonstrate to the potential customers, the use of ReconCell in the production facilities of ELVEZ.

The date and time of the visits will be decided by ELVES. The visits will each maximum last for a day.. ReconCell Inc. may or may not be present at the demonstration.

Date:

Signature:  
ReconCell Inc.  
ELVEZ  
Potential Customer

## Appendix 8



### **Sales Support Agreement**

This is a sales support agreement between ReconCell Inc. and PRECIZIKA METAL. The agreement states that PRECIZIKA METAL will allow potential customers of ReconCell, to visit its production facilities. The potential customer will be indicated by ReconCell Inc.

The potential customers and ReconCell Inc. are legally bound to respect the confidentiality of PRECIZIKA METAL in all matters indicated by PRECIZIKA METAL. The only purpose of the visit is to demonstrate, to the potential customers, the use of ReconCell in the production facilities.

The dates of the visits will be decided by PRECIZIKA METAL. The visits will each last for a day at maximum. ReconCell Inc. may or may not be present at the demonstration.

Date:

Signature:  
ReconCell Inc.  
PRZM  
Potential Customer

## Appendix 9



### **Sales Support Agreement**

This is a sales support agreement between ReconCell Inc. and LOGIC DATA. The agreement states that LOGIC DATA will allow potential customers of ReconCell, to visit its production facilities. The potential customer will be indicated by ReconCell Inc.

The potential customers and ReconCell Inc. are legally bound to respect the confidentiality of LOGIC DATA in all matters indicated by LOGIC DATA. The only purpose of the visit is to demonstrate, to the potential customers, the use of ReconCell in the production facilities.

The dates of the visits will be decided by LOGIC DATA. The visits will each last for a day at maximum. ReconCell Inc. may or may not be present at the demonstration.

Date:

Signature:  
ReconCell Inc.  
LOGIC DATA  
Potential Customer

## Appendix 10

### Sales Partner Agreement (SPA)

This Sales Partner Agreement is made and entered between the two Partners (or Parties)

Company name:	<u>ReconCell Inc.</u> (ReconCell)
Company address:	<u></u>
Company reg. code or Tax. number:	<u></u>

and

Company name:	<u></u> (Sales Partner)
Company address:	<u></u>
Company reg. code or Tax number:	<u></u>

**0. Confirmation.** This agreement is entered between the Sales Partner and ReconCell in Denmark. By signing the SPA the Sales Partner confirms being a Sales Partner of the ReconCell, and agreeing with all sections of the SPA. Furthermore, the Sales Partner also expresses a full commitment to as soon as possible to engage with possible specific leads and customers in dialogues about project opportunities and to incorporate ReconCell in the sales process as described by the SPA.

### Background and introductory provisions

**1. Products.** ReconCell provides an assortment of robotic solutions and -services to the Sales Partner including all relevant training and support needed.

**2. Partnership.** The Sales Partner and ReconCell both understands the SPA as a Partnership where the Sales Partner and ReconCell will work together to be successful in marketing, sales and implementation of the Products.

**3. Product-Amendment (PAM).** The SPA is generic and only describes the Partnership. It does not include any details about the Products. To actually start marketing and selling a specific Product the Sales Partner and ReconCell must both sign a so-called Product-Amendment (PAM) for the Product. Such a PAM includes all the specific and detailed Product data like prices, commissions, etc. There is one PAM for every Product.

**4. Territory.** The Sales Partner has non-exclusive rights to do the Activities in the countries, regions or market segments as specified within the PAM's of the various Products.

**5. CE-marking or similar.** ReconCell will inform the Sales Partner about actual CE-certificates (or similar for other countries) of specific Products. For a few of the early-stage Products there may not yet be a CE-marking/-certificate (or similar) in place. In order to sell and implement projects with such Products it is a requirement to include a risk assessment to be done by the customer or/and the Sales Partner ref. to the CE Machine Directive or similar for other countries.

## 6. Demo-/Test-Kit & Stocks.

6.1. For most Products the Sales Partner is not obliged to purchase a Demo- or Test-Kit of the Product nor to have the Products in Stock. However, ReconCell recommends the Sales Partner to purchase a Demo- or Test-Kit in order to improve the sales process.

6.2. A Demo- or Test-Kit can be purchased or leased and for most Products at a discounted price. For some Products a rental model is also an option. The specific PAM's will specify the Demo- or Test-Kit prices and options.

6.3. The Sales Partner covers all costs associated with purchasing, leasing or renting a Demo- or Test-Kit including all associated costs like shipment, tax, handling, customs, installments, insurance, containers, packaging and more according to the PAM.

6.4. If the Demo- or Test-Kit is a rental model then the Sales Partner guarantees that the state of the returned Product is the same as when the Sales Partner first received it and will in the event the Product has to be repaired then cover all costs associated herewith. However ordinary tear and wear relative to the rental period is accepted.

6.5. ReconCell will assist the Sales Partner with organizing local reference customer on-site visits for potentially new customers.

## 7. Open Pipeline.

7.1. The Open Pipeline is an online web-tool set up for the Sales Partner and used to show at any given instance in time the leads and customers of the Sales Partner and also showing their actual status divided into; A) those contacted; B) those engaged in a dialogue or have been sent a Sales Quote; and C) those that have accepted and purchased a Product. No specific names of persons or other details are required. Only the customer names. ReconCell provides the Sales Partner with the Open Pipeline tool. The Sales Partner should update it upon any change in status and ReconCell must have read-access. If a customer is listed on multiple Open Pipelines, ReconCell is in power to resolve a potential conflict.

7.2. The Sales Partner has no obligation to use the Open Pipeline. The Sales Partner may, at any time and with a 1-months' written notice, decide to either start using the Open Pipeline or stop using it.

7.3. In cases where customers of the Sales Partner or potential customers based on the Sales Partner's promotion effort contact ReconCell in order to buy Products, ReconCell will only guarantee to refer the customer back to the Sales Partner if the Sales Partner has chosen to operate with the Open Pipeline and it includes the specific customer. In general though, ReconCell will attempt to refer customers back to local Sales Partners in order to work as close to the customer as possible.

7.4. If for any reason the customer does not want to work with the Sales Partner, ReconCell can then work with the customer as long as ReconCell grants the Commission for the first sold Product to the Sales Partner and does not discount the original offer from the Sales Partner. This does not include cases where the Sales Partner has lost a tender bid to a competitor or if the Sales Partner has chosen not to use the Open Pipeline.

## Prices and Sales Commission

**8. Prices and Commissions.** Each specific Product Amendment (PAM) includes agreed list prices and commissions for the Sales Partner for the hardware, software, licenses and Activities related to the specific Product. Typical commissions are indicated here;

- | Type of activity     | Commissions from customer's price  |
|----------------------|--|
| ● Hardware           | 10-25 % (customer's price should follow publicly known price)  |
| ● Software, Licenses | 10-25 % (customer's price should follow publicly known price)  |
| ● Marketing          | Partners cover their own costs   |
| ● Sales              | Partners cover their own costs   |
| ● Installation       | Partners' direct costs plus overhead and profit are covered by the customer                                  |
| ● Training           | Partners' direct costs plus overhead and profit are covered by the customer                                  |
| ● Project work       | Partners' direct costs plus overhead and profit are covered by the customer                                  |
| ● Support            | 30-80 %, with 1 <sup>st</sup> level by Sales Partner, 2 <sup>nd</sup> and 3 <sup>rd</sup> level by ReconCell |
| ● Service            | 30-80 %, with 1 <sup>st</sup> level by Sales Partner, 2 <sup>nd</sup> and 3 <sup>rd</sup> level by ReconCell |

- **Maintenance** Partners' direct costs plus overhead and profit are covered by the customer

- Note: "customer's price should follow publicly known price" means that the customers of the Sales Partner should see a price which is somewhat matching with the price that is more or less publicly known from the web and other sources. If as a Sales Partner this is not respected then the customers might think the Sales Partner is untrustworthy and the sale is lost and reputation may be seriously damaged. Minor deviations (<10-15%) on the prices can occur and be accepted by the customers due to varying costs for customs, tax, currency exchange rates etc. Costs for logistics, handling, insurance and more can be added to the price.

- Note: "partners cover their own costs" means that there is no revenue to cover for the costs and therefore the partners will each cover their own costs and investments in the activity.

- Note: "partners' direct costs plus overhead and profit are covered by the customer" means that those costs are directly integrated into the projects and sales quotes for the customers. ReconCell decides to which extent the suppliers to ReconCell will be included with work and budget within the projects.

- Note: 1<sup>st</sup> level support includes basic guidance of the users. 2<sup>nd</sup> level support is when system set up is changed or configurations need to be updated or similar. 3<sup>rd</sup> level support is when new development is required.

- Note: 1<sup>st</sup> level service includes physical inspection of robots and installations and making sure they work. 2<sup>nd</sup> level service is when systems settings have to be upgraded or re-configured. 3<sup>rd</sup> level service is regarding the basic infrastructure on the robotic systems.

**9. Currency.** The Sales Partner shall use the EUR (Euro, €) as the currency for all payments regardless of the actual currency applied in the price lists of the PAM's. The prices for the Products in the PAMs are by default excluding tax, customs, insurance, shipment, and similar, which is to be paid by the Sales Partner. In the event at the Sales Partner operates on the American market, the currency shall be in USD (US Dollar \$).

**10. Changes of Prices and Commissions.** The prices and commissions in the PAM are only valid at the time of signing. ReconCell maintains an online web-resource with actual prices listed. These prices can change anytime due to changes from suppliers to ReconCell, fluctuations in currency exchange rates, and more, and these online prices are the ones to be applied regardless of what is stated in the PAM.

## The Package from ReconCell to the Sales Partner

**11. Overview.** ReconCell provides a Package of materials, tools, working methods and support to the Sales Partner to get started and be successful. Here follows an overview.

1. No upfront direct costs when starting up, indirect investments through joint marketing, sales and projects
2. The rights to promote the Products (of signed PAM's) to customers using any media or method available.
3. The obligation to include the ReconCell logo and link on the Sales Partner's website.
4. Free access to all Marketing Materials with photos, videos, text, cases, references, recommendations etc.
5. Free access to business-case data (confidential) and tools to do calculations/estimations.
6. Access to Open-Pipeline to protect the Sales Partner's marketing- and sales effort towards specific customers.
7. Free access to a 1-to-1 matched joint marketing campaign or event with ReconCell.
8. The rights to and no obligation to purchase or lease Demo-Robots at discounted rates.
9. For most Products access to renting a Demo-Robot for trade fairs, events, customer demos, etc.
10. The obligation to incorporate ReconCell in sales quotes / projects as part of the Training.
11. Free access to desktop level analysis and project planning as part of a sales quote.
12. Opportunity to joint visiting customer sites to inspect and analyze only at travel and accommodation cost.
13. The rights to cover only a subset of the Activities related to running the complete business.

## Obligations and assignments

### 12. Activities.

12.1. The Activities covered by the Sales Partner may include marketing, lead generation, sales, installation, education, project-work, support, service, maintenance, and more – all activities within the lifecycle of the Product except from developing and manufacturing it.

12.2. The Sales Partner may choose to cover only a subset of the Activities listed. However, the minimal subset chosen shall be direct marketing and lead generation only. Lead generation here refers to "quality leads" or "hot leads" where the customer is motivated for receiving a sales quote and negotiating it. NAMEDROPPING alone as such is not in this context regarded as lead generation.

12.3. The Sales Partner shall not cover those Activities for specific Products and specific customer projects where the Sales Partner has not yet received sufficient Training and Certification. ReconCell will decide for each Activity and for each Product and customer project if the Sales Partner has received sufficient Training to cover the Activity.

12.4. The Sales Partner decides for each Product through the respective PAM which Activities to cover. In addition, the Sales Partner can propose to ReconCell to cover Activities differently for specific customer projects.

12.5. ReconCell will support the Sales Partner in carrying out all of the Sales Partner's Activities. ReconCell will also supplement the Sales Partner and carry out those Activities which the Sales Partner either; a) Has chosen not to carry out with ref. to 12.2, or b) Does not have the sufficient Training for ref. to 12.3.

12.6. ReconCell may engage any subcontractor to cover its own Activities in specific projects.

### **13. Training and Certification.**

13.1. Training in the SPA-context is essentially the process where ReconCell and the Sales Partner works closely together on carrying out an Activity and during the work process ReconCell transfers and builds up capabilities enabling the Sales Partner to be Certified to carry out the Activity on its own from thereon.

13.2. The Certification of the Sales Partner for a given Activity and Product is given as a simple statement by e-mail or any other written form by ReconCell accepting and agreeing that the Sales Partner can now carry out the Activity for the Product in subsequent specific customer projects. If the Sales Partner's situation changes (e.g. staff leaves) the Certificate may be temporarily withdrawn. Certification is part of working together in the sales phase of a specific customer project while making project proposals, work plans, roles and contributions of partners, budgets, etc. Granting Certification is a fast process done in hours not days.

13.3. ReconCell provides initial Training, materials and tools enabling the Sales Partner to do basic marketing and lead generation Activities on its own. All other Training hereafter shall be integrated to and be an integral part of carrying out the related Activities in specific customer projects including Activities in the sales phase, delivery and implementation phase and finally the support, service and maintenance phase.

13.4. The Sales Partner shall continue to incorporate and is obliged to include ReconCell in the sales phase Activities and in Activities in specific customer projects for as long as –

- a) The Sales Partner wishes to cover Activities for which the Sales Partner is not yet Trained and Certified, or
- b) The customer project includes Activities carried out by ReconCell.

13.5. Additional costs from extra hours of work, extra travel and accommodation and more occur when specific customer projects include Training. The Sales Partner shall cover those additional Training costs through including them in the budget for the specific customer project, by covering the costs itself, or otherwise. ReconCell shall apply a fair and reasonable level of hourly salary and expenses approach to keep the additional costs to an acceptable level. Each PAM will give an estimate of such costs.

13.6. ReconCell may choose to use staff from any of its subcontractors, suppliers or partners to carry out any Activity in any Product, in any Training and for any specific customer project.

13.7. The required Training may vary significantly for every Product and Activity. The Sales Partner confirms to understand that more complex Products often also requires more Training efforts.

### **14. Marketing.**

14.1. The Sales Partner shall add the ReconCell logo, name and link on its website and thereby promote the partnership under this SPA. Likewise, ReconCell shall add the logo, name and link to the Sales Partner on its website and thereby promote the partnership under this SPA. The Sales Partner may however not change the marketing materials, without the prior written approval of ReconCell. Excepted from the aforementioned is, whenever the Sales Partner needs to add their name to the marketing materials.

14.2. The Sales Partner may set up promotion for the Products on the web, social media, newsletter, brochure, flyers, and more for the Products.



14.3. The Sales Partner shall cover its own costs associated with any marketing and sales Activity.

14.4. ReconCell offers the Sales Partner a more extensive co-branding set up where both will engage in more frequent and more visible co-referencing and –linking to each other from all relevant promotion materials and media applied.

14.5. ReconCell will provide all relevant materials for promotions to the Sales Partner through access on our website to such materials including photos, videos, text, cases, references, recommendations etc.

14.6. ReconCell will not directly provide physical materials such as printouts, flyers, brochures, and more. The Sales Partner is free to produce such physical materials at its own cost.

14.7. ReconCell offers (no obligation) the Sales Partner to join forces and work together on marketing. The following is part of the joint marketing:

- a) The Sales Partners marketing effort shall include website promotions, postings on social media, electronic newsletters, direct e-mail marketing, and to a reasonable extent relevant exhibitions and fairs if any, as well as visits at customer sites. ReconCell resources will jointly contribute to the execution of the continuous marketing Activities. The Sales Partner shall collect and sample videos, written statements, business-case calculations, use-case scenario descriptions, and similar from each customer to the extent possible and accepted by each customer and then enable/allow ReconCell to use such materials for a broader marketing and sales initiative to further support the Sales Partners.
- b) ReconCell shall provide the Sales Partner with an overall methodology and standards for collecting/sampling such materials as well as for doing marketing, and the Sales Partner shall find a way to integrate such a methodology into its own marketing and sales process.
- c) The Sales Partner and ReconCell will discuss and agree on the right way to do it.

14.8. The Sales Partner will have access to purchase or lease a Product for demo purposes at a discounted rate. For some Products, a rental model will be available for demonstration and exhibition purposes.

## 15. Sales.

15.1. Sales in the SPA context refers to Activities in a specific customer project in which the Sales Partner prepares and negotiates a project proposal with the customer, sometimes including also ReconCell.

15.2. ReconCell provides to the sales Activities a so-called Desktop Analysis and tools/methods to do it; Technical feasibility study of customer needs and match to Product capabilities, standard work plan and estimate of work content, calculation of customer's business-case, input to proposal or quote, but no guarantee of Product match to customer needs.

15.3. ReconCell may provide to the sales Activities a so-called On-site Analysis and tools/methods to do it; Visit customers on-site, inspection of processes/needs, joint writing of proposals or quotes, guarantee of Product match to customer needs. The Sales Partner shall cover the travel and accommodation costs for ReconCell.

**16. Assignment.** The Sales Partner may not assign this Partner Agreement or include third party entities in the Product Activities without an explicit written approval from ReconCell. Upon request and receipt of such permissions, the Sales Partner guarantees that such third party entities operate and comply with the content of the SPA.

16.1. Non-agent. The Sales Partner shall not hold itself out as ReconCell's or any ReconCell sub-supplier's agent for sales of the Products or as being entitled to bind ReconCell or any ReconCell sub-supplier in any way. The Sales Partner is conducting his/her business as an independent entity.

16.2. Ancillary Provisions. The relationship between the Partners is that of a seller and buyer and is not that of employer/employee, principal/agent, joint venture, partnership or otherwise. The Sales Partner is not authorized to act on behalf of ReconCell or its suppliers purporting to bind ReconCell or its suppliers but acts as an independent contractor for itself and selling in its own name and at its own risk.

16.3. Sub-Distributors. The Sales Partner may not appoint sub-partners (sub-distributors, sub-resellers, agents, or other intermediaries) without ReconCell's written approval. Individual personal contacts acting on their own behalf and not under contract to the Sales Partner may provide assistance and introductions to new markets and customers without written approval from ReconCell.

16.4. No Representations. The Sales Partner shall not make any representations or give any warranties or other benefits in favor of any proposed purchaser or to the detriment of ReconCell beyond those authorized in writing by ReconCell in the specified PAM.

**17. Orders in Writing.** ReconCell requests to receive orders for Products in writing. Orders confirmed in writing by ReconCell are legally binding upon the Partners. The Sales Partner is responsible for ensuring the accuracy of the order.

**18. Delivery terms.** EXW (Ex Works) ReconCell Inc., at the Address, INCOTERMS 2010, unless specified otherwise in PAM's. When the goods are ready to be picked up at the ReconCell Address by the Sales Partner they are delivered. The Sales Partner shall cover all other transportation costs and risks.

18.1. ReconCell will invoice the Sales Partner for the hardware, software, licenses, installation, training and project work at the time the Sales Partner orders a Product. The order is confirmed when ReconCell sends the invoice. The payment terms may be overruled by specific PAMs or in specific customer projects by written agreements only.

**19. Supply-Chain.** The Sales Partner confirms to respect the supply chain established by ReconCell in order to be able to provide the Products to the Sales Partner. The Sales Partner confirms not to contact or plan to contact the suppliers of hardware, software or knowledge/expertise to ReconCell's Products. Existing distribution agreements between ReconCell's suppliers and the Sales Partner at the time the Sales Partner receives the SPA are an exception. Another excerpt are Products, which ReconCell may not sell in the country of the Sales Partner. Once the Sales Partner express interest in a Product and ReconCell sends the PAM or other insight info about the Product to the Sales Partner then this section is legally binding for the Sales Partner. For some Products, collaboration between the Sales Partner and supplier is required. In such cases, ReconCell initiates the contacts and structures the collaboration.

## Property rights and License

**20. Property and passing of the risk.** Property in and ownership of the Products passes to the Sales Partner when the Sales Partner has paid in full the Products. As such, the Products are at the Sales Partners risk from the time of Delivery in accordance with Delivery-terms mentioned above.

**21. Applicable Licenses.** The Sales Partner shall apply for and obtain all necessary regulatory licenses, permits or other authorizations required by the laws applicable in the Territory (PAM) in relation to the promotion, marketing and supply of the Products by the Sales Partner.

**22. License, and ownership of the Intellectual Property.** It is noted that all Intellectual Property is intrinsically associated with the Products and as such ReconCell and suppliers grants the Sales Partner the non-exclusive, non-sub-licensable, royalty free right and license to use any Intellectual Property included in the Territory.

22.1 The Intellectual Property (including unpatented production methods and technical and Confidential Information so long as they are not public knowledge) embodied in or used in connection with the Products remains the exclusive property of ReconCell and its suppliers.

**23. No Challenge.** The Sales Partner shall not challenge the validity or ownership of the Intellectual Property. The Sales Partner acknowledges that the use of the Intellectual Property by the Sales Partner is only on behalf of ReconCell and its suppliers as a licensee under its control.

**24. Indemnity.** The Sales Partner indemnifies and must keep indemnified ReconCell and its suppliers against all losses, damages, liabilities, claims and expenses (including legal costs on an indemnity basis) incurred or suffered by the Sales Partner due to third party claims for personal injury, property damage or intellectual property infringement, arising out of or in connection with the Sales Partner's negligence or willful misconduct in connection with the marketing, sale or use of the Products.

## Termination and Breach of contract

**25. Termination.** The Sales Partner may terminate the SPA or individual PAM's with a 3-month's written notice without reason. Upon termination by the Sales Partner, ReconCell shall be offered to acquire all clients/customers of the Sales Partner in relation to Activities with the Products. ReconCell may choose to take over all customers and Activities or just a subset of customers and Activities.

25.1. ReconCell may terminate the SPA or individual PAM's with a 3-month's written notice with the following reasons; repeated failure to comply with this SPA, lack of payments, low quality or commitment to the partnership, no or very slow response in the dialogue and cooperation; or significant disagreements or misalignments between the Partner's mutual understanding of the collaboration. For any other reason ReconCell can terminate the SPA with a 9-month's written notice. ReconCell may also at any time suspend any PAM on the basis of current or potential problems with the Sales Partner or ReconCell suppliers, if such a problem has not been cured by the Sales Partner within a scope of 7 days upon written notice from ReconCell. Problems that may be used as the basis for the suspension includes reasonable indications that the Partnership is damaging the relation to the customers, failure of the Sales Partner to live up to the customers reasonable expectations and/or practical impossibilities on behalf of supplier or other parties not controlled by ReconCell. ReconCell will notice and provide the Sales Partner with a reason for any suspensions. Upon termination by ReconCell the Sales Partner is free to suggest a third-party to take over customers and Activities for the Products.

25.2. If the SPA is terminated, then by default all PAM's are also terminated.

25.3. In case of termination none of the Partners can claim any kind of compensation from the other Partner.

- In any case of termination the SPA or PAM's (Products and Activities) may not be transferred to any third-party organization without a written approval from ReconCell.
- In case of termination the Supply-Chain section is not terminated for a 2-year period after termination.

**26. Breach.** If either Partner (a) commits a material breach or material default in the performance or observance of any of its obligations under this Agreement, and (b) such breach or default continues for a period of 7 days after delivery by the other Partner of written notice reasonably detailing such breach or default, then (c) the non-breaching or non-defaulting Party shall have the right to terminate this SPA, with immediate effect, by giving written notice to the breaching or defaulting Party.

26.1. It is acknowledged that the Sales Partners breach of the Supply-Chain section will cause ReconCell in Denmark to incur substantial economic damages and losses of types and in amounts which are impossible to estimate with certainty as a basis for recovery of actual damages by ReconCell in Denmark, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof. Accordingly, for each individual breach of the Supply-Chain section and in addition to any other remedy available under this SPA or applicable law, the breaching Sales Partner shall pay to ReconCell in Denmark liquidated damages of ten thousand EUR (10.000 Euros) without ReconCell being required to present any evidence of the amount or character of actual damages sustained by reason thereof. Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty, and the Sales Partner shall pay them to ReconCell in Denmark without limiting ReconCell in Denmark's right to Terminate this agreement for breach.

26.2. Documented loss or damages exceeding or not accounted for in the liquidated damages may be subject to additional claims. This includes legal fees and other costs of recovery, but is not limited thereto.

26.3. ReconCell will not be liable for any incidental, consequential, indirect, special, contingent, or punitive damages in connection with the SPA, whether based on theories of breach of warranty, breach of contract, tort, strict liability or otherwise. In any event, ReconCell's liability to the Sales Partner hereunder will not exceed the total fees paid for the Products on which such liability is based in the six (6) month period prior to the event giving rise to such liability.

## **M-NDA (Mutual Non-Disclosure Agreement)**

**27. Purpose.** The Parties wish to explore a business opportunity of mutual interest and in connection with this each Party may disclose to the other certain confidential technical and business information which the Disclosing Party desires the Receiving Party to treat as confidential.

**28. Confidential Information** means any information disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects (including without limitation documents, prototypes, samples, plant and equipment), which is designated as "Confidential," "Proprietary" or some similar designation. Information communicated orally shall be considered Confidential Information if such information is confirmed in writing as being Confidential Information within a reasonable time after the initial disclosure. Confidential Information may also include information disclosed to a Disclosing Party by third parties. Confidential Information shall not, however, include any information which

- i. was publicly known and made generally available in the public domain prior to the time of disclosure by the Disclosing Party;
- ii. becomes publicly known and made generally available after disclosure by the Disclosing Party to the Receiving Party through no action or inaction of the Receiving Party;
- iii. is already in the possession of the Receiving Party at the time of disclosure by the Disclosing Party as shown by the Receiving Party's files and records immediately prior to the time of disclosure;
- iv. is obtained by the Receiving Party from a third party without, to the knowledge of the Receiving Party, a breach of such third party's obligations of confidentiality;
- v. is independently developed by the Receiving Party without use of or reference to the Disclosing Party's Confidential Information, as shown by documents and other competent evidence in the Receiving Party's possession; or
- vi. is required by law, regulation or prevailing custom to be disclosed by the Receiving Party, provided that the Receiving Party gives the Disclosing Party prompt written notice of such requirement prior to such disclosure and, at the Disclosing Party's expense, assistance in obtaining an order protecting the information from public disclosure.

**29. Non-use and Non-disclosure.** Each party agrees not to use any Confidential Information of the other party for any purpose except to evaluate and engage in discussions concerning a potential business relationship between the parties or in the furtherance of such a relationship if and when established. Each party agrees not to disclose any Confidential Information of the other party to third parties or to such party's employees or advisors, except to those employees and advisors of the Receiving Party who are required to have the information in order to evaluate or engage in discussions concerning the contemplated business relationship or, if such a business relationship is established, to further that business relationship. Neither party shall reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the other party's Confidential Information and which are provided to the party hereunder.

**30. Maintenance of Confidentiality.** Each party agrees that it shall take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information of the other party. Without limiting the foregoing, each party shall take at least those measures that it takes to protect its own most highly confidential information and shall ensure that its employees or advisors who have access to Confidential Information of the other party have signed a non-use and non-disclosure agreement in content similar to the provisions hereof, prior to any disclosure of Confidential Information to such employees or advisors. Each party shall reproduce the other party's proprietary rights notices on any copies it makes of documents, computer files or other information in whatever form that the other party has provided to it in the same manner in which such notices were set forth in or on the original.

**31. No Obligation.** Nothing herein shall obligate either party to proceed with any transaction between them, and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the business opportunity, provided, however, that the terms of any definitive agreement entered into by the Parties regarding such a transaction or a business relationship between the Parties shall supersede the right to termination set forth in this provision.

**32. No Warranty.** All confidential information is provided "as is". Neither party makes any warranties, express, implied or otherwise, regarding the accuracy or completeness of such confidential information.

**33. Return of Confidential Information.** Upon request by the Disclosing Party, the Receiving Party shall return promptly all Confidential Information of the Disclosing Party in its possession or control, including any copies of any such Confidential Information. The Receiving Party may retain one copy of the Confidential Information in its legal files.

**34. Ownership of Confidential Information.** All Confidential Information is and shall remain the sole and exclusive property of the Disclosing Party, and no license or other rights to Confidential Information are granted hereby by implication or otherwise.

**35. Term.** The obligations under pt. 28-31 of each Receiving Party hereunder shall survive until such time as all Confidential Information of the other party disclosed hereunder becomes publicly known and made generally available through no action or inaction of the Receiving Party or four (4) years, whichever period is shorter.

**36. Remedies.** Each party agrees that any violation or threatened violation of this Agreement may cause irreparable injury to the other party, entitling the other party to seek injunctive relief in addition to all legal remedies.

**37. Miscellaneous.** This Agreement shall bind and inure to the benefit of the Parties hereto and their successors and assigns. This Agreement shall be governed by the law of the country of the Sales Partner in all cases applicable. The Parties shall always attempt to resolve any dispute arising under this Agreement amicably. If they are unable to do so, the dispute shall be adjudicated by a competent court sitting in either Denmark or the country of the Sales Partner.

**38. Integration.** This document contains the entire agreement between the Parties with respect to the subject matter hereof, and neither party shall have any obligation, express or implied by law, with respect to trade secret or proprietary information of the other party except as set forth herein. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both Parties hereto. Its provisions shall be supplemented or superseded by any definitive agreement as to a particular transaction or as to business cooperation into which the Parties enter to the extent to which such definitive agreement is inconsistent with or more general than this Agreement.

## **Dispute resolution**

**39. Disputes.** In the event that a dispute regarding this SPA should arise, the Partners will try to solve the disputes amicably with regard to the Partners individual understandings of the SPA, and in good faith. The Partners must make best efforts to solve any/and all disputes as quickly as possible.

39.1. If the Partners cannot settle the disputes amicably within a scope of fourteen (14) workdays, the Partners shall settle the dispute under the Rules of Arbitration, administrated by The Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced.

Company Name: \_\_\_\_\_  
(Sales Partner)

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

By (in print): \_\_\_\_\_

Title (in print): \_\_\_\_\_

Company Name: **ReconCell Inc.**  
(**ReconCell** )

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

By (in print): \_\_\_\_\_

Title (in print): \_\_\_\_\_

## Appendix 11

### Transfer of use (Partially exclusive license agreement)

#### 1. PARTIES

Between

Name: INSERT

Address: INSERT

Tel: INSERT

CPR/CVR no: INSERT

hereinafter referred to as the Licensor  
and

Name: RECONCELL COMPANY

Address: INSERT

Tel: INSERT

CPR/CVR no: INSERT

hereinafter referred to as the Licensee  
the following agreement has been entered into on this date and signed below.

Date:

#### 2. PURPOSE

The purpose of the present agreement is:

[The parties' objective in transferring the Invention etc. to be inserted here.]

#### 3. DEFINITIONS

[The parties insert relevant definitions.]



*Confidential Information:*

Confidential Information is taken to mean information which is passed on by (or on behalf of) one party to the other party under this agreement and which is marked “confidential” or which, due to its nature, content or the circumstances under which it is made public, can reasonably be considered to be confidential. This does not include information which was already in the public domain when it was received (without this being attributable to the recipient’s actions) or which was passed on legally to the recipient by a third party.

*Affiliated Company*

An Affiliated Company is taken to mean a company which the Licensee wholly or partly owns or which wholly or partly owns the Licensee. Part-ownership means here a stake of more than 50% of the company.

*The Invention/transferred rights:*

[Describe the Invention/rights.]

*The Area:*

[Describe the Area as the relevant geographic area and/or a specific product area.]

#### 4. THE LICENSOR’S MAIN OBLIGATION(S)

The Licensor hereby grants the Licensee a partially exclusive right of use to the Invention for the purpose of the Licensee’s use of the Invention [in the area]. Use is taken to mean the Licensee’s

[sales][production][marketing][distribution]

The Licensor thus retains an owner’s full control over the Invention and is entitled to dispose of it without any form of restriction, including in geographic or time terms, just as the Licensor can grant third parties (comparable) rights of use to the Invention without requiring prior consent from the Licensee except for systems application in direct competition with Reconcell.

#### 5. THE LICENSOR’S OTHER OBLIGATIONS

##### 5.1 The Licensor’s right to dispose of the Invention

The Licensor declares that he is the rightful owner of the Invention and that he does not know of any other individuals with rights to the Invention.

If there is a final unappealed ruling which states that the Invention infringes third party rights, the Licensee can cancel the present agreement, cf. section 8 on breach. If the third party rights lead to the Invention having to be transferred to a third party, cf. section 53(1) of the Danish Patents Act, but in such a way that the Licensee may continue the commenced or planned use, cf. section 53(2) of the Act, the Licensee cannot cancel the present agreement, merely bring a claim against the Licensor for losses incurred as a result of the re-registration.

Regardless of whether or not the third party claims that the Licensor is infringing his rights, the Licensee shall continue to pay a licence fee to the Licensor until a final ruling is made regarding the claim.

## **5.2 The Licensor's access to transfer to other Licensees**

The Licensor retains until further notice the full right to transfer full use as owner of the Invention to a third party, albeit subject to all granted licences, and to grant licences to one or more third parties without restriction in geographic or time terms except for system applications in direct competition with Reconcell.

## **5.3 The Licensor's limited access to use the Invention**

The Licensor is not prevented from using the Invention in competition with the Licensee during the agreement period, except in competing system with that of Reconcell. The Licensor must thus carry out his own marketing and sales of the Invention or products which are in essence based on the Invention [, including in the Area,] concurrently with the Licensee at the technology or component level.

## **5.4 The Licensor's modifications and further development**

The parties are to keep each other informed in writing without undue delay of developments, improvements and similar modifications which may be created on the basis of the Invention or in association with the Invention during the agreement period.

If, during the agreement period, the Licensor makes developments, improvements and similar modifications to the Invention, the results in question belong to the Licensor.

The Licensee, however, for as long as the agreement is in force, is entitled to use these further developments etc. free of charge regardless of whether or not the Licensor decides to patent/take out utility model protection for these further developments etc.; the Licensee is also entitled to manufacture and market these further developments etc. since such sales are generally covered by the present agreement and trigger licence payments to the Licensor on the same terms as those specified herein.

## **6. THE LICENSEE'S FINANCIAL OBLIGATIONS**

### **6.1 Licence fee**

A licence fee is paid. The licence fee amounts to [...x...] % annually based on the profit made by Reconcell each year.

The licence fee is calculated from the profit made up from the invoice price excluding packaging, VAT, duty and any other charges which the Licensee incurs when selling products in which the Invention and its further developments, improvements, etc. (cf. section 5.4) are embodied, but never an amount less than the minimum licence fee mentioned below.

The licence fee shall be limited to a time-frame of 5 years from the first year, where there is profit in Reconcell to honour this agreement with a licence fee.

### **6.2 Minimum licence fee**

There is no minimum licence fee.

### 6.3 Payment date

The licence fee, or alternatively the minimum licence fee, falls due every quarter on 1 January, 1 April, 1 July and 1 October for the previous quarter.

The fee is to be paid no later than [insert number] days after the due date. All payments are subject to VAT.

## 7. THE LICENSEE'S OTHER OBLIGATIONS

### 7.1 Marketing

The Licensee shall work purposefully and effectively to sell the licensed product, including e.g. by paying visits to current and potential customers in addition to carrying out such marketing and sales-promoting measures which are customary in order to promote the sales of the Invention or the products in which the Licensee intends the Invention to be embodied. Expenses associated with such individual marketing and sales-promoting measures are to be borne by the Licensee.

As part of the marketing of the Invention or the products in which the Licensee intends the Invention to be embodied, the Licensee is entitled to use his own trademark and logo and is not obliged to refer to the Licensor. As part of the marketing of the Invention or the products in which the Licensee intends the Invention to be embodied, the Licensee is entitled to use his own trademark and logo and is not obliged to refer to the Licensor.

### 7.2 Transfer

The Licensee may not rent out, lease, loan or in any other way contribute to third party use of the Invention without the prior written consent of the Licensor.

#### 7.2.1 Subcontractors

The Licensee is, however, entitled to use subcontractors in its dealings with the Invention when this is part of the Licensee's production, further development, manufacture, analysis, testing, packing, etc. The Licensee guarantees the Licensor that in such cases the subcontractor will comply with the terms of the present agreement.

#### 7.2.2 The Licensee's transfer in a company context

Licenstager kan overdrage licenser til en koncernforbundet virksomhed (koncernlicenstager).

Licenstager skal give Licensgiver meddelelse om overdragelsen og koncernlicenstagerens identitet.

Desuden kan licenser overdrages til en tredjepart i forbindelse med fusion, spaltning eller sammenlægning med en koncernforbundet virksomhed eller driftsafdeling.

Overdragelse forudsætter i alle tilfælde en samlet overdragelse af alle licenser, der er udstedt i forbindelse med nærværende aftale.

Andre overdragelse af rettigheder i henhold til denne kontrakt til tredjemand kan alene ske med Licensgivers forudgående skriftlige samtykke.

### 7.3 The Licensee's modifications and further development

The parties are to keep each other informed in writing without undue delay of developments, improvements and similar modifications which may be created on the basis of the Invention or in association with the Invention during the agreement period.

If, during the agreement period, the Licensee makes developments, improvements and similar modifications to the Invention, the results in question belong to the Licensee.

The Licensor, however, for as long as the agreement is in force, is entitled to use these further developments etc. free of charge regardless of whether or not the Licensee decides to patent/take out utility model protection for these further developments etc.; the Licensor is also entitled to manufacture and market these further developments etc. since such sales are generally covered by the present agreement.

## 8. BREACH

Each of the parties is entitled to cancel the agreement without notice if the other party commits a material breach of the agreement. The party which wishes to cancel the agreement shall inform the other party of this in advance in a written notice indicating the breach being cited. The cancellation comes into force unless the breach was brought to an end no later than seven days after the notice was sent. The cancellation takes effect from the time of notification onwards.

A material breach has also occurred if one of the parties has filed for bankruptcy or begun restructuring to the extent this is not prevented by the rules of the Danish Bankruptcy Act.

## 9. COMPENSATION

The parties are obliged to pay compensation to each other under the general rules of Danish law. The parties are in no way liable for operating losses, consequential damages or other indirect losses unless the loss can be attributed to the gross negligence or wilful intent of the party responsible for the loss.

## 10. AGREEMENT PERIOD AND NOTICE OF TERMINATION

The present agreement expires without notice of termination on [insert date] or if the Licensor's patent for the Invention expires, whichever circumstance occurs first. Before this time the Licensee can terminate the agreement in writing with [insert number] months' notice to the end of a month.

The Licensor is not able to terminate the agreement [in the period until [insert date]] and thereafter with [insert number] months' notice to the end of a month

At the end of the agreement the rights transferred from the Licensor to the Licensee revert to the Licensor for disposal free of charge, together with miscellaneous know-how, prototypes, drawings, etc. produced during the agreement period. If, during the agreement period, the Licensee makes developments, improvements and similar modifications to the Invention, the results in question belong to the Licensee, cf. section 7.3.

## 11. FORCE MAJEURE

The parties' obligations under the present agreement are suspended in the event of a force majeure situation. The party which wishes to cite force majeure shall notify the other party in writing of this as soon as the event which causes the force majeure is confirmed and also inform the other party of the expected extent and duration.

Force majeure is taken to mean an event which is (1) outside the control of a party (e.g. natural disasters, fire, riot, war or civil unrest etc.); (2) unforeseen or which could not reasonably have been predicted; and (3) cannot be overcome by a reasonable investment of either work or money etc.

If the event which causes the force majeure continues for more than 120 days – not necessarily in succession but within the same 180 day period – each of the parties is entitled to cancel the agreement.

## 12. INSURANCE

The Licensee is obliged to take out insurance to the extent it is necessary and possible, including product liability insurance [and patent insurance] for products in which the Invention is embodied with an insurance sum of at least DKK [insert amount] and a maximum excess per claim event of DKK [insert amount]

Before the agreement the Licensee will have documented that the insurance policies mentioned have been or will be taken out and will then send the insurance policy to the Licensor. The Licensor is also entitled, but not obliged, to take out co-insurance.

The Licensor is entitled to receive a transfer of the insurance sum with a view to covering any costs which the Licensor has incurred from bringing a legal case etc., cf. section 15.

## 13. CONFIDENTIALITY

Manuals, guidelines, technical information, know-how, methods and related information concerning the Invention and which were developed by and/or owned by the Licensor, as well as other Confidential Information which the Licensee has come into possession of during the collaboration with the Licensor, are to be considered trade secrets which may not be passed onto or used by the Licensee or his employees unlawfully. This obligation also applies after the agreement expires and for 10 years from the date the agreement is signed.

The duty of confidentiality does not, however, apply where the information transferred was already in the public domain when it was received or enters the public domain without this being attributable to the recipient's actions, or which is passed on legally to the recipient by a third party.

If the parties have signed a confidentiality agreement prior to entering into the present agreement, the clauses of the former still apply and are included as Appendix A to the present agreement.

If the Licensee commissions assistance from subcontractors/consultants, the Licensee is obliged to ensure that the necessary agreements on rights transfer and confidentiality are entered into with these parties in accordance with the confidentiality agreement in Appendix A.

#### **14. INFRINGEMENT OF THE INVENTION**

Should the Licensee become aware that a third party is infringing the Invention, the Licensee must inform the Licensor of this forthwith.

The Licensor is then entitled to take legal action against a third party, including issuing an injunction against persistent infringement by a third party. In connection with such an event, the Licensee shall provide the Licensor with reasonable assistance, including procuring the Licensor all information relevant to the case. In such cases the costs of the legal proceedings will then be borne by the Licensor. The Licensee is entitled to bring legal proceedings at their own expense if the Licensor does not exercise their right to take action.

#### **15. INFRINGEMENT OF OTHERS' RIGHTS**

The Licensor shall not hold the Licensee accountable for losses, compensation claims, legal costs, liability and expenses (including reasonable costs for legal and other professional advice) that arise as a result of a third party justifiably claiming that the Licensee is infringing their right in connection with the Licensee's use of the Invention.

Should a third party claim that the Licensee is infringing their right, the Licensee must inform the Licensor of this forthwith. The Licensor brings the case and defends the Licensee's right to the Invention. The costs of the legal proceedings will be borne by the Licensor. In connection with such an event, the Licensee shall provide the Licensor with reasonable assistance, including procuring the Licensor all information relevant to the case. The Licensee is entitled to join the legal proceedings or bring the case themselves at their own expense.

#### **16. AUDIT**

The Licensor is entitled at any time by means of an audit to check the information and calculations that form the basis for the Licensee's payment of the licence fee as well as other compliance with the terms of the present agreement.

No later than 30 days before the audit, the Licensor shall present their proposed procedure and the documentation required to be used in connection with the audit, as well as propose an auditor to carry out the audit. The costs of the audit are to be borne by the Licensor.

The Licensee is obliged, to a reasonable extent and without special payment, to provide the assistance necessary to complete the audit.

The Licensee's objections and requests for amendments shall be met unless the Licensor can document that these are unreasonable and are obstructive to the execution of the audit in an objective way.

The results of the audit shall be presented in a clear and understandable report so that any infringements that may be identified are explained on the basis of the agreements entered into and the established use.

## **17. LEGAL VENUE**

In the event of a disagreement between the parties in connection with the present agreement, the parties shall attempt to open negotiations with a positive, cooperative and responsible attitude with a view to resolving the dispute. If necessary, attempts shall be made to take the negotiations to a higher level within the parties' organisations.

Should it not be possible to resolve the dispute by means of negotiation, each party is entitled to bring the case to the Danish Maritime and Commercial Court in Copenhagen as the legal venue in the first instance.

Should the Maritime and Commercial Court not possess the expertise required to hear the case, the case or the claim should be referred to the competent district court for a ruling pursuant to the Danish Administration of Justice Act, cf. section 225 of the Act.

## **18. APPLICABLE LAW**

The present agreement is subject to Danish law and, unless stated otherwise, the general rules of Danish law shall govern the relationship between the parties.

The Danish rules on applicable law do not apply.

## **SIGNATURES**

Date:

Place:

---

For the Licensor

Date:

Place:

---

For the Licensee

## Appendix 12

[illegible]