CONSORTIUM AGREEMENT ON IMPLEMENTATION OF

ADVANCED CHIP DESIGN RESEARCH CENTER BETWEEN

CYBERSECURITY HUB,

BRNO UNIVERSITY OF TECHNOLOGY, CZECH TECHNICAL UNIVERSITY IN PRAGUE, AND MASARYK UNIVERSITY

This Consortium Agreement (or "Agreement") is made and shall become effective as of 12/12/2024 ("Effective Date"), by and between:

CyberSecurity Hub, z.ú. ("**CSHub**"), a registered institute existing under the laws of the Czech Republic, having its registered office at Šumavská 416/15, 602 00 Brno, Czech Republic, company ID: 09705163, represented by its director Roman Čermák, M.Sc., MBA and

Brno University of Technology ("BUT"), a public university existing under the laws of the Czech Republic, having its registered office at Antonínská 548/1, 602 00 Brno, Czech Republic, ID: 00216305, represented by doc. Ing. Ladislav Janíček, Ph.D., MBA, LL.M., rector

Czech Technical University in Prague ("CTU"), a public university existing under the laws of the Czech Republic, having its registered office at Jugoslávských partyzánů 1580/3, 160 00 Prague 6, Czech Republic, ID: 68407700, represented by doc. RNDr. Vojtěch Petráček, CSc., rector

and Masaryk University ("MU"), a public university existing under the laws of the Czech Republic, having its registered office at Žerotínovo nám. 617/9, 601 77 Brno, Czech Republic, ID: 00216224, represented by Prof. MUDr. Martin Bareš, Ph.D., rector

CSHub, **BUT**, **CTU**, and **MU** are also referred to herein together as the "**Consortium Parties**" or "**Parties**" and each individually as a "**Party**". CSHub is also referred to herein as "**Consortium Coordinator**" or "**Coordinator**".

1. PARTIES OF THE AGREEMENT

1.1. CSHub is a registered institute founded by leading Czech public universities dedicated to cybersecurity research and education for the purpose of development of joint multidisciplinary research, education and other relevant activities in the field of cybersecurity and related technology areas, including secure chip design.

1.2. BUT, CTU, and MU are leading Czech public universities in education, research and development in multidisciplinary semiconductor and chip-design technology.

2. SUBJECT OF THE AGREEMENT

- 2.1 The subject of this Agreement is to establish an academic consortium (referred to herein as the Consortium) on the Czech side to implement Advanced Chip Design Research Center (ACDRC) in the Czech Republic.
- 2.2 ACDRC is a Czech-Taiwanese center for talent cultivation, specifically on micro-electronics, semiconductor, and IC design, as defined in the "Agreement between NARLabs and CSHub" signed on May 17, 2024. National Applied Research Laboratories (NARLabs) is a non-profit institute that provides a wide range of R&D service platforms to support academic research in Taiwan. The "Agreement between NARLabs and CSHub" is Appendix 1 to this Agreement. In case of discrepancy between Appendix 1 and this Agreement, the terms and conditions stated In the Appendix 1 apply first.
- 2.3 The mission of ACDRC is to contribute to the semiconductor ecosystem in the Czech Republic connecting fundamental research, education, training, application, and related industries.
- 2.4 NARLabs and CSHub are jointly funded by Ministry of Foreign Affairs of Taiwan (MOFA) for establishing ACDRC. Primary funding of CSHub for ACDRC shall be provided by the MOFA on an annual basis.
- 2.5 A part of this funding received by CSHub on the Czech side shall be further distributed to Consortium Parties to finance the collaboration in the Consortium leading to implementation of the ACDRC.
- 2.6 Parties acknowledge the Working plan for the Implementation of the Advanced Chip Design and Research Center (referred to herein as Working Plan) defined as Annex 1 to the Deed of Donation with Order between Taipei Economic and Cultural Office, Prague (TECO) and CSHub signed on June 5, 2024 (referred to herein as Deed). The Working Plan and Deed are Appendices 2 and 3 to this Agreement.
- 2.7 Parties acknowledge the *Steering, monitoring, and reporting* structures of ACDRC as defined in Annex 2 to the Deed. The *"Steering, monitoring, and reporting"* is Appendix 4 to this Agreement.
- 2.8 Parties declare their willingness to collaborate to fulfill the Working Plan and to achieve the goals of ACDRC according to the above paragraphs 2.1–2.7.
- 2.9 The Parties shall work jointly and with their respective implementation partners in Taiwan, namely NARLabs (referred to herein as **Partners**).

3. CONSORTIUM TERMS AND CONDITIONS

The Parties to this Agreement set forth the following Consortium Terms and Conditions:

A. <u>Consortium Structures:</u>

- The BUT, CTU, and MU (further referred to as Universities) established the Czech ACDRC Executive Board (further referred to as Czech Board) composed of three representatives appointed by their respective University.
- 2. Czech Board appoints and dismisses the **Director of ACDRC** from among its own members. The position of the Director of ACDRC is a remunerated role, and the associated costs are covered from the funds allocated within the project budget assigned to their home university.
- 3. Czech Board acts as a decentralized executive management body participating in key decision processes of ACDRC, is responsible for the implementation of ACDRC at their respective Universities, and controls the external communication with *Steering, monitoring, and reporting structures of ACDRC* defined in 2.7 and with Partners defined in 2.9.
- 4. CSHub establishes ACDRC Executive Unit (further referred to as **Executive Unit**) responsible for coordination within the Consortium and internal communication. The operation costs of Executive Unit are covered from the funds allocated within the project budget assigned to CSHub.
- 5. CSHub appoints the Secretary of the Executive Unit (further referred to as Secretary).

B. Work Breakdown:

- The activities as defined by the Working Plan are organized in Work Packages. Work Package 1 (WP1) is aimed at ACDRC strategic management and communication, Work Package 2 (WP2) at ACDRC operations. Work Package 3 (WP3) is aimed at achieving the educational and training goals of ACDRC while Work Package 4 (WP4) is aimed at achieving the research and development goals of ACDRC.
- 2. The CSHub as the Coordinator is primarily responsible for WP1 and WP2 and collaborates on other Work Packages. BUT is primarily responsible for WP3 and collaborates on other Work Packages. CTU is primarily responsible for WP4 and collaborates on other Work Packages. MU collaborates on all Work Packages. The Coordinator may issue methodological and operational instructions for the purpose of coordination in the interest of the project.
- 3. Parties agree on collaboration to fulfill the order prescribed by the Deed in Article 4. Determination of the Order. The Coordinator is authorized to verify with the Universities whether the use of the allocated project funds complies with the order prescribed by the Deed, in a manner customary for similar projects implemented within a consortium with a coordinator. The Coordinator is entitled to carry out inspections of the Participants in connection with the implementation of the Project and, for this purpose, to request any document related to the Project. The Participants pledge to implement the Coordinator's recommendations regarding the rectification of the identified shortcomings. Neither the inspection nor the conclusions of the non–irregularity assessment have an impact on the liability of the Participants in any irregularity and do not relieve the Participants of liability for breach of the obligations arising from the agreement.

- 4. The Parties agree to provide the Coordinator all necessary assistance to fulfill its obligations towards the TECO as the Donor as prescribed by the Deed in Article 5. Obligations of the Donee.
- 5. The parties acknowledge, that the Coordinator has to submit the Working plan for the next calendar year to the **Supervisory Board** (which is a part of the *Steering, monitoring, and reporting structures* referred to in 2.7) no later than the end of September of the same year and the Annual report of the past year no later than the end of March of the following year and undertake to provide all necessary cooperation to comply with these obligations of the Coordinator. The details of the necessary assistance shall be specified by the Coordinator.
- 6. The Parties shall enter into appropriate agreements (referred to herein as **Implementation Agreements**) with their Partners, defining the objectives, scope, and conditions of cooperation on the specified parts of the Working Plan, namely the WP4, including the handling of intellectual property, adherence to ethical principles of scientific work, confidentiality of exchanged data and information, protection of privacy in accordance with applicable legislation and general principles of good practice, and the definition of Key Performance Indicators (KPIs) to be fulfilled by all contracting parties.
- 7. The Implementation Agreements shall be delivered to the Coordinator.
- 8. Coordinator shall not be liable for any damages arising in connection with any Implementation Agreement, nor shall Coordinator be responsible for any failure to meet the KPIs defined in any Implementation Agreement.
- 9. Parties agree to nominate representatives to appropriate steering and management structures of ACDRC defined in Appendix 4.

C. Budget:

- 1. Coordinator shall donate appropriate funding for covering the costs incurred by this collaboration on fulfilling the Working Plan. This donation is sourced and generally dependent upon the donation received by Coordinator from TECO under the Deed as mentioned in Appendix 5 Table 1.
- 2. The exact financial amount and conditions of the funding from Coordinator to other Parties will be defined by individual deeds with order between Coordinator and the respective Party signed annually for the years 2024-2027.
- 3. The amounts and conditions of the individual deeds will depend on the respective Party's contribution to ACDRC based on the following principles:
 - a) The budget part covering the costs in WP1 and WP2 is defined in Appendix 5 Table 2a and will be paid on an annual basis as given in Appendix 5 Table 2b.
 - b) The budget part covering the costs in WP3 and WP4 will be approved by the Czech ACDRC Executive Board based on the proposal of the Coordinator after receiving annual *Budget and Task Plan* (further referred to as **BTP**) from the Party. The BTP describes the activities and goals of the ACDRC Working Plan to be implemented by the Party in the respective year together with their budget structured by the Work Packages and fitting within the limits defined in Appendix 5 Table 3. The details of BTP shall be specified by the Coordinator. This evaluation proceed by the Czech ACDRC Executive Board will be conducted twice a year (May and November).
 - c) The budget parts according to article a) and article b) will be subject of a Deed of Donation with Order between Coordinator and the Party processed without undue delay.

- 4. Coordinator has the right and obligation to require the return of the donation (or its part) given to a Party if the fails to comply with the B.3-B.5.
- 5. In case the Supervisory Board decides on changes in Working Plan affecting tasks and budget, Coordinator has the right and obligation to require the return of the affected donation (or its part) given to the respective Party.

D. Intellectual Property Rights and Confidentiality:

- 1. The Parties agree that, in the event of collaboration leading to patents, copyrights, or other intellectual property rights, a further agreement shall be negotiated in each case between the involved Parties according to the specific case.
- 2. Intellectual property created by one Party within the framework of the ACDRC, shall be owned by the Party which created it. Intellectual property that is created jointly by one or more Parties within the framework of the ACDRC in a way, that their creative inputs cannot be separated without loss of the essence, or their respective contribution of each Party cannot be established, these intellectual property rights shall be jointly owned by the contributing Parties according to their input. If the creative shares of the Parties cannot be determined or the Parties do not agree otherwise, it applies that the co-ownership shares are equal.
- 3. The Parties enter the ACDRC with specific skills, know-how and intellectual property rights that are needed for fulfilling the Working plan (further referred to as "**Background**"). Background remains to be a property of the Party that owned prior the establishment of the ACDRC. The other Parties are entitled to use the Background for the purposes of work on the Working plan, if the Background is necessary, on royalty-free basis for the duration of the Project. The Parties are not entitled to use the Background for any other purposes or in any other manned, unless agreed otherwise in separate written agreement.
- 4. This agreement also does not govern the handling of Intellectual Property Rights and Confidentiality between the Party and its Partners. Such handling is governed by the relevant Implementation Agreement between the Party and its Partners. Coordinator shall not be liable for any damages arising from the handling of intellectual property between the Party and the Partner.
- 5. The Parties agree and undertake to keep confidential any information or data that may be exchanged, acquired, or shared in connection with any program, project or activity conducted pursuant to this Agreement given any of the Parties declares the information or data as confidential, save where the same is already in public domain.

E. <u>Privacy:</u>

The Parties acknowledge and agree that, for the purpose of fulfilling their respective obligations pursuant to this Agreement, they will share required personal information. The Parties mutually agree that they will treat such personal information in strict compliance with the applicable laws.

F. <u>Compliance:</u>

The Parties acknowledge and agree the ACDRC shall comply with all applicable laws of the Czech Republic, including, without limitation, bylaws, orders, permits, licenses, regulations, or any rules, directives or policies imposed by an applicable regulatory or governmental authority.

G. Force Majeure:

Each Party shall not be held responsible or liable in any way for failure or delay in carrying out the terms of this contract resulting from any force majeure cause or circumstance beyond its reasonable control, including fire, flood, other natural disasters, war, labor difficulties, interruption of transit and power telecommunication outages, accident, explosion, civil commotion and acts of any governmental authority, epidemic, pandemic, etc. The Party so affected will give prompt notice thereof to the other Party and shall make reasonable efforts to avoid or remove such causes of non-performance and shall continue its performance when reasonably possible.

H. <u>Terms and Renewal of Agreement:</u>

This Agreement is effective on the above-noted Effective Date and is valid till December 31, 2027 (except for article B.4 of this Contract which shall remain in force) unless the Parties agree on extending the Agreement. Neither Party can arbitrarily terminate this Agreement without the consent of the other Parties. Furthermore, the Party intending to terminate shall notify by providing ninety (90) days prior written notice to the other Parties. The termination of this Agreement shall not affect the continued completion of the ACDRC activities that have obtained budgets and have begun implementation. Before the expiration of the Agreement, the Parties may have the option to continue the collaboration, upon mutual written consent.

I. <u>Notices:</u>

The Parties will each designate a coordinator whose responsibility will be to develop formal agreements related to specific activities that may result from this Agreement. Each Party designates the following people to facilitate and administer the partnership:

- a. CSHub: XXXXXXX
- b. BUT: XXXXXXX
- c. CTU: XXXXXXX
- d. MU: XXXXXXX

J. <u>Amendment:</u>

The Agreement and appendices may be amended as agreed upon by the Parties. Any amendments or modifications to this Agreement shall be accepted by all Parties in writing, using an Amendment Document. Matters not included in the Agreement, but directly related to it, may be addressed by an Amendment Document, and executed by all Parties. Any such agreement shall be appended to this Agreement.

K. Dispute Resolution:

If any dispute arises out of or in connection with this Agreement, including any question regarding its existence, validity or termination, the Parties agree to make a good faith attempt to settle the dispute.

L. <u>Register of contracts</u>

By signing this Agreement, the Parties confirm that they are aware that for Universities, the Agreement is subject to the obligation to publish it pursuant to Act. No. 340/2015 Coll., on the register of contracts, as amended. Coordinator publishes this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative in originals.

The Agreement is drawn up in electronic form signed by each party with a qualified electronic signature according to the eIDAS Regulation.

Masaryk University	Czech Technical University in Prague	Brno University of Technology	
Prof. MUDr. Martin Bareš, Ph.D. Rector	Doc. RNDr. Václav Petráček, CSc. Rector	Doc. Ing. Ladislav Janíček, Ph.D., MBA, LL.M. Rector	
20.12.2024	18.12.2024	16.12.2024	
	CyberSecurity Hub, z.ú.		
	Roman Čermák, M.Sc., MBA Director		
	16.12.2024		

Appendix 5 – Budgeting

Table 1. Donation from TECO to CSHub as Coordinator	(mil. USD) according to Deed TECO-Coordingtor

Paid / to be paid	Amount
Paid June 2024	6,4
To be paid in 2024	0,9
To be paid in 2025	0,9
To be paid in 2026	1,3
Total	9,5

Table 2a. Budget for WP1 – Management and WP2 – Environment (mil. USD)

Work Package	Coordinator	BUT	CTU	MU
WP1 – Management	0,680	0,068	0,068	0,034
WP2 – Environment	0,510	0,816	0,816	0,408
WP1 + WP2	1,19	0,884	0,884	0,442

Table 2b. Annual distribution of the WP1 + WP2 budget (mil. USD) according to paragraph C.3.a)

Year	Coordinator	BUT	CTU	MU	Total
2024 + 2025	0,945	0,702	0,702	0,351	2,7
2026	0,105	0,078	0,078	0,039	0,3

2027	0,14	0,104	0,104	0,052	0,4
Total	1,19	0,884	0,884	0,442	3,4

Table 3. Indicative budget framework for WP3 Education, WP4 Research (mil. USD)

This table indicates maximum total amount available for each University. The concrete budget will be based on the Budget and Task Plans approved by the Czech ACDRC Executive Board according to C.3.b)

Work Package	BUT	CTU	MU
WP3 – Education, training	1,22	1,22	0,61
WP4 – Research	1,22	1,22	0,61
Total	2,44	2,44	1,22

Table 4. Indicative total budget framework for each WP and each Party (mil. USD)

Work Package	Coordinator	BUT	CTU	MU
WP1 – Management	0,680	0,068	0,068	0,034
WP2 – Environment	0,510	0,816	0,816	0,408
WP3 – Education, training	0,000	1,22	1,22	0,61
WP4 – Research	0,000	1,22	1,22	0,61
Total	1,19	3,324	3,324	1,662