

# NordForsk's Standard Terms and Conditions of Contract

**NordForsk's Standard Terms and Conditions of Contract constitute an integrated part of all contracts entered into by NordForsk concerning the financing of research projects.**

## DEFINITIONS

**Signatory:** The person holding a power of attorney to represent the Project Owner vis-à-vis NordForsk, and who signs the Agreement on behalf of the Project Owner.

**Project Owner:** The legal entity having the rights and obligations defined by the Contract towards NordForsk.

**Project Leader:** The person who, on behalf of the Project Owner, is responsible for the progress, implementation and completion of the Project in accordance with the Contract.

**Parties:** NordForsk and the Project Owner.

**Co-operating Partners:** The entities which participate in the Project having committed themselves to contribute with professional and/or with financial resources to the Project Owner for the implementation of the Project.

**Joint Financing Body/Bodies:** The institution(s)/company(ies) that is/are co-financing the Project with NordForsk in accordance with the Agreement.

**Agreement:** The document signed by NordForsk and the Project Owner, providing the agreed-upon regulations.

**Contract:** The Agreement with all attachments thereto collectively comprise the Contract.

**Project:** The total sum of activities detailed in the project proposal to which the funding relates, and as further described in the Contract.

**Project results:** All results, including information, materials and knowledge, generated or achieved in the Project, including intellectual property rights, regardless of whether or not they are protected.



**Grant:** A commitment by NordForsk to fund the Project in accordance with the Agreement.

**Pledge:** A planned, but not binding, commitment by NordForsk to provide funding for the Project in accordance with the Agreement.

**Budget:** The Financial plan for the implementation of the Project as defined in the Contract, detailing the expected income and expected costs during the Project Period.

## **1. THE PROJECT**

### **1.1 Project implementation**

The Project shall be implemented and performed in accordance with the Contract, including all annexes, as agreed in writing between NordForsk and the Project Owner.

The Project Owner shall immediately and without undue delay notify NordForsk in writing of any substantial deviations from the Project Plan/Research Plan and/or other matters regulated by the Contract. Notification of such deviations shall not be withheld in anticipation of the submission of the progress report or final report.

NordForsk will at its discretion assess the impact and potential consequences of the notified deviations, as set out in clause 2.5 and 9.3. If so decided, NordForsk may approve the deviations in writing, in which case the deviation(s) shall be treated as a contractual amendment, cf. clause 11.

The Project Owner shall make sure that the Project is implemented in accordance with all applicable laws, regulations, ethical guidelines as well as recognized quality standards and norms.

### **1.2 Co-operation with Co-operating Partners**

The Project Owner shall enter into and sign an agreement(s) with the Co-operating Partner(s) governing the relationship as well as respective rights and obligations of the Project Owner and the Co-operating Partner(s).

For the avoidance of any doubt, such an agreement(s) shall not be considered binding or having legal influence on NordForsk and NordForsk's rights and obligations towards the Project Owner, as NordForsk and the Project Owner's contractual relationship remains between these two Parties, leaving the Project Owner solely responsible towards NordForsk in accordance with the Contract.

The Project Owner shall ensure that the said agreement(s) with the Co-operating Partner(s) comply/complies with the terms, conditions and premises of the Contract.

The said agreement shall be entered into, and signed by the relevant parties, and the Project Owner shall deliver a copy of the said agreement to NordForsk prior to the disbursement of any funding.



Any changes in the composition of the Co-operating Partners, as described in the application and the Contract, require the prior written consent of NordForsk. Any such change may be considered a substantial deviation as set forth in clause 1.1.

## **2. GRANTS**

### **2.1 General**

NordForsk's Grants are stipulated and disbursed in NOK. NordForsk is not liable for any losses incurred in connection with fluctuation in currency exchange rates as a result of the Grant being disbursed in NOK.

For Projects with a Project Period of one year or less, Grants are disbursed as a one-time payment.

For Projects with a Project Period of more than one year, Grants are disbursed once a year for one year at a time, unless otherwise agreed in writing between NordForsk and the Project Owner.

The Grant for the first year of the Project Period and any Pledges for subsequent years are stipulated in the Agreement.

### **2.2 Disbursement**

Grants will be disbursed as soon as the Contract has been signed by both Parties and NordForsk has received the signed Contract and a copy of any Co-operating agreement(s).

### **2.3 Repayment**

In the event that the Final Report and the corresponding Project Accounts demonstrate that the actual costs of the Project are less than the amounts disbursed by NordForsk, such unused funds shall be reimbursed to NordForsk in NOK as directed by NordForsk. In case of such reimbursement, the currency exchange rate in force at the time the Grant was disbursed to the Project Owner, shall be applied.

### **2.4 Transfer of unused funds between fiscal years**

The Project Owner may apply in writing to NordForsk for permission to transfer unused funds from one fiscal year to the next.

### **2.5 Reservations**

Notwithstanding any provision set forth in the Contract, disbursement of the Grant for the first year and any Pledges for subsequent years will only take place if:

- There are no substantial deviations to the Contract, cf. clause 1.1. There are no changes in public regulations (legislation, standards etc.) and no other unforeseen circumstances having a material and substantial impact on the implementation of the Project or NordForsk's ability to contribute to it.



- NordForsk approves in writing the Progress Report submitted by the Project Owner as set out in clause 4.1.
- NordForsk receives the agreed joint financing for the Project from the Joint Financing Body/Bodies.

In the event that one or more of these conditions are not satisfied, NordForsk may at its discretion withdraw or change the Grant and/or any Pledge for subsequent years, or if warranted under the circumstances, decide to terminate the agreement pursuant to clause 9.

### **3. ACCOUNTING AND AUDIT**

The Project Owner shall at all times keep updated Project Accounts.

NordForsk is at any time entitled to verify that the funds granted are being applied in accordance with the Contract. Upon a request from NordForsk, the Project Owner shall without undue delay deliver to NordForsk receipts, time sheets, calculations and any other document necessary for the verification mentioned above. If the verification reveals that funds are not being applied in accordance with the Contract, NordForsk may stop the disbursement, and the funds shall be reimbursed to the extent required by NordForsk.

The project owner shall ensure that the Project will be audited as a part of the Project Owners ordinary yearly audit.

### **4. REPORTING**

#### **4.1 Annual reporting**

For Projects with a Project Period of one year or less, the Project Owner shall prepare and submit to NordForsk a final report (referred to as the Final Report), cf. clause 4.3.

For Projects with a Project Period of more than one year, the Project Owner shall within a deadline set by NordForsk prepare and submit to NordForsk an annual report (referred to as the Progress Report), including an accounting report based on the Project Accounts. The Progress Report shall provide information concerning the status and progress of the Project and explain any deviation from the Contract, i.e. the Project description, Project Plan/ Research Plan and/or Budget. The Project Owner shall report substantial deviations to NordForsk without undue delay as set forth in clause 1.1.

The Progress Report shall comprise any revision of the Project Plan/ Research Plan and Budget that the Project Owner deems it appropriate to propose.

An approved Progress Report is required for the honouring of the Pledge for the following year.



#### **4.2 Other reporting**

None of the provisions in this clause 4 may be construed as a waiver by NordForsk from duly receiving any reporting otherwise agreed in the Contract. The project Owner is also required to contribute with information about the project to NordForsk for 10 years after the completion of the project, if so needed for purposes of evaluation or analysis within NordForsk.

#### **4.3 Final reporting**

The Project Owner shall prepare a Final Report, including final Project Accounts.

Unless otherwise agreed in writing between NordForsk and the Project Owner, the Project Owner shall deliver the Final Report no later than three months after completion of the Project Period. NordForsk shall approve in writing the Final Report.

#### **4.4 Reporting format**

All reports shall be submitted in the manner specified by NordForsk, and in accordance with NordForsk's guidelines and various report forms.

### **5. PROJECT RESULTS AND EQUIPMENT**

The Project Owner acquires any and all intellectual property rights and any potential other rights to the Project Results unless otherwise agreed in writing.

The Project Owner shall, unless otherwise agreed in writing, become the owner of any equipment purchased with Project funds.

The Project Owner may share any intellectual property rights and potential other rights to the Project Results and the ownership to the equipment with its Co-operating Partners, employees and others involved in the Project. The Project Owner shall regulate the rights, ownership and other relevant terms and conditions, including commercialisation of Project Results, in a separate agreement with the Co-operating Partners, as set out in clause 1.2.

### **6. PUBLICATION**

As a general rule, the Project Owner shall ensure that Project Results are made public as soon as possible, and in accordance with any communication plan included in the Project Plan.

If publication of Project Results will interfere with the protection or commercialisation of any results, or confidentiality obligations or be detrimental to the activities of the Project Owner or of the Co-operating Partners, publication may be temporarily postponed.



Research-generated data shall be considered available to the general public after the Project has been concluded, unless special circumstances indicate otherwise, or terms of contract or public regulations prevent it.

When the Project and/or Project Results are distributed/published, the financial contributions made by NordForsk and other Joint Financing Bodies shall always be mentioned. NordForsk may issue detailed instructions of how such contributions shall be mentioned.

NordForsk may publish the Project title, the Project Period, its financial contribution, a Project summary and Project Results achieved during the Project Period. Publication of Project Results shall take place in consultation with the Project Owner.

## **7. TRANSFER OF CONTRACT**

NordForsk may transfer any of its rights and obligations under the Contract to a third party.

The Project Manger may not transfer any of its rights or obligations under the Contract without the prior written consent of NordForsk.

## **8. INDEMNIFICATION**

NordForsk is not liable for damages or losses of any kind resulting from or incorrect use of, equipment, methods or programs related to the Project.

The Project Owner shall keep NordForsk indemnified from any and all claims from third party of whatever nature resulting from the implementation of the Project, including but not limited to claims related to infringements of intellectual property rights.

## **9. DURATION AND TERMINATION OF THE CONTRACT**

### **9.1 General**

The Contract enters into force from the date on which it has been signed by NordForsk and the Project Owner and a copy of the agreement(s) between the Project Owner and the Co-operating Partner(s) has/have been received by NordForsk.

The Contract is terminated without further notice upon the satisfaction of each and all of the following conditions:

- The completion of the Project Period; and
- NordForsk has approved in writing the Project Owner's Final Report; and
- the Project Owner has reimbursed to NordForsk any unused funds.



Termination of the Contract shall not in any way affect or impair the validity, legality and enforceability of the provisions contained in the Contract that by their nature are not limited to the Contract Period. This includes, but is not limited to, provisions regarding accounting, reporting and publication.

### **9.2 Termination by written notice**

NordForsk and the Project Owner may each terminate the Contract by giving three months written notice if the contractual assumptions for the Project are substantially changed and this makes it unreasonable to continue the Project.

In the event of termination, each Party shall cover its respective shares of the winding up costs.

Upon the termination date, the Project Owner shall immediately and without undue delay prepare and deliver to NordForsk a final report as set out in clause 4.3.

Any unused funds shall be reimbursed to NordForsk as set out in clause 2.3.

### **9.3 Termination with immediate effect**

NordForsk may terminate the Contract in writing with immediate effect, and prior to the conclusion of the Contract Period, if the Project Owner is in material breach of his obligations pursuant to the Contract, including but not limited to, the following situations:

- The Project Owner is unwilling or unable to complete the Project.
- There are substantial deviations to the Project/research Plan and/or to other circumstances and matters regulated by the Contract as set out in clause 1.1.
- The Project Owner is engaged in activities which are not compatible with current applicable legislation.
- The Project Owner has entered a petition for bankruptcy, or a petition for bankruptcy or debt settlement negotiations have been raised by others against the Project Owner, or there is other compelling reason to believe that the Project Owner is insolvent.

NordForsk may also terminate the Contract in writing with immediate effect if key prerequisites underlying the contractual relationship are no longer viable, including, but not limited to

- The event that NordForsk receives less funding from the Nordic Council of Ministers or other Joint Financing Body/Bodies.
- The event that there are changes in public regulation or other unforeseen circumstances having material and substantial impact on the implementation of the Project or NordForsk's ability to contribute to it.

If NordForsk terminates the Contract with immediate effect due to material breach on the part of the Project Owner, the Project Owner shall, if requested by NordForsk, reimburse any funds received. Any remaining Pledges will become null and void.



The Project Owner may terminate the Contract in writing with immediate effect if NordForsk is in material breach of its obligations pursuant to the Contract.

#### **10. AMENDMENTS**

Either Party may propose amendments to the Contract. Any amendment shall be made in writing and shall be approved by both Parties.

#### **11. DISPUTES**

This Contract is governed by and shall be interpreted in accordance with Norwegian law. Any disputes that the Parties cannot resolve shall be settled by Oslo District Court, unless otherwise agreed between NordForsk and the Project Owner.