

# NORDIC INNOVATION STANDARD TERMS AND CONDITIONS OF CONTRACT

THE NORDIC INNOVATION STANDARD TERMS AND CONDITIONS OF CONTRACT CONSTITUTE AN INTEGRATED PART OF ALL CONTRACTS ENTERED INTO BY NORDIC INNOVATION CONCERNING THE FINANCING OF PROJECTS.

## DEFINITIONS

**Administrative Manager:** This role coincides with the role as Project Leader, in projects financed by Nordic Innovation.

**Agreement:** The document signed by Nordic Innovation and the Project Owner.

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

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

**Contract:** The Agreement with any and all attachments thereto, together with these Standard Terms and Conditions of Contract, collectively comprise the Contract.

**Final Report:** As defined in clause 4.2.

**Grant:** A commitment made by Nordic Innovation regarding funding of the Project, binding in accordance with its written terms and conditions.

**Joint Financing Body/Bodies:** The/those body/bodies, institution(s)/company(ies) that is/are financing the Project together with Nordic Innovation.

**Parties:** Nordic Innovation and the Project Owner.

**Pledge:** A planned but not binding commitment by Nordic Innovation to provide funding.

**Progress Plan:** The schedule for implementing and completion of the Project's main activities/milestones as further described in the Contract.

**Progress Report:** As defined in clause 4.1.

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

**Project Accounts:** The accounts kept by the Project Manager to record the Project's actual income and actual costs.

**Project Description:** Scientific and administrative plan for the performance of the Project as further described in the Contract.

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

**Project Owner:** The legal entity (e.g., university, university college, research center, private enterprise) having the rights and obligations defined by the Contract towards Nordic Innovation.

**Project Period:** The time span as specified in the Agreement, and during which the Project shall be performed.

**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.

# 1. THE PROJECT

## 1.1 PROJECT IMPLEMENTATION

The Project Owner undertakes to implement and carry out the Project in accordance with the Contract, including but not limited to the Project Description, Progress Plan and Budget as agreed in writing between Nordic Innovation and the Project Owner.

The Project Owner undertakes to immediately and without undue delay notify Nordic Innovation in writing of any substantial deviations from the Progress Plan and/or Project Description and/or from other circumstances and 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.

Nordic Innovation will at its discretion assess the impact and potential consequences of the notified deviations, as set out in clause 2.5 and 10.2. If approved by Nordic Innovation in writing, the deviation(s) will be treated as a contractual amendment, cf. clause 11.

The Project Owner undertakes to ensure that the Project is implemented in accordance with all applicable laws, regulations, ethical guidelines as well as recognized quality standards and norms, and that all parties who carry out activities under the Project, including Co-operating Partners, respect the rights and obligations laid down in the Contract.

## 1.2 CO-OPERATION WITH CO-OPERATING PARTNERS

The Project Owner shall enter into and sign an agreement 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).

Nordic Innovation has the right to participate as an observer to the Steering Board, or its equivalent. The Project Leader is responsible for ensuring that Nordic Innovation receives all invitations to, notifications and minutes from the meetings of the project Steering Board as they become available. The composition and mandate of the Steering Board must be defined in the Cooperation Agreement.

For the avoidance of any doubt, the Co-operation Agreement does not alter the fact that the Project Owner is solely responsible towards Nordic Innovation 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.

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

# 2. GRANTS

## 2.1 GENERAL

A Nordic Innovation Grant is stipulated and disbursed in NOK. Nordic Innovation 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.

Nordic Innovation's commitment to the Grant only comes into effect on the signing of the agreement.

Costs can be expensed to the project from the date of the award letter from Nordic Innovation, but these activities will be at the project's own risk.

Any changes to the Project Budget during the project period and exceeding 10 % of the total budget or 20 % of a single budget item must be presented to and approved by Nordic Innovation.

## 2.2 DISBURSEMENT

The disbursement of the Grant will be initiated as soon as both Parties have signed the Contract and Nordic Innovation has received the signed Contract and a copy of the Co-operating agreement(s). Pledges for subsequent years will be disbursed as decided by Nordic Innovation.

Unless otherwise agreed upon, the following model applies to payments:

- i. For Projects with a Project Period of one year or less, 50 % of the Grant is disbursed at the signing of the Agreement. The remaining 50 % is disbursed at the final deliverables are fulfilled, including an approved final report according to clause 4.2 It is a prerequisite for the disbursement that all project deliverables and the final report are approved by Nordic Innovation;
- ii. For Projects with a Project Period which exceeds one year, the following applies:
  - a. 50 % of the grant for the first year is disbursed at the signing of the agreement;
  - b. The remaining 50 % of the first years grant is paid once the annual report has been submitted and approved by Nordic Innovation. 50 % of the following year's grant is disbursed at the same time;
  - c. 50 % of the grant for the last project year is in all cases retained until the date of the conclusion of the project. It is a prerequisite for the disbursement that all project deliverables and the final report are approved by Nordic Innovation.

The project number must be stated in the invoice, as well as the name of the Nordic Innovation's contact person. The share of project costs that is covered by Nordic Innovation's grant cannot exceed the percentage stipulated by the Agreement.

## 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 Nordic Innovation, such unused funds shall be reimbursed to Nordic Innovation in NOK and as directed by Nordic Innovation. In case of such reimbursement, the currency exchange rate in force at the time when the Final Report is sent to Nordic Innovation shall apply.

Nordic Innovation has the right to demand that a part of or all of the paid funds are immediately repaid if:

- i. The Project Owner, or any of the Co-operating Partners, has provided erroneous or incomplete information that has been important to Nordic Innovations decision concerning the Grant or the payments;
- ii. The funds, or part of the funds, have been used to cover expenses other than those expressed in the Agreement;
- iii. The final report and final accounts have not been submitted in accordance with the Agreement;
- iv. Any other significant breach of this agreement takes place.

## 2.4 TRANSFER OF UNUSED FUNDS BETWEEN FISCAL YEARS

Normally not applicable for Nordic Innovations projects.

## 2.5 RESERVATIONS

Notwithstanding any provision set forth in the Contract, the disbursement of the Grant for the first year and any Pledge for subsequent years, are subject to the satisfaction of i.a. the following conditions:

- There are no changes in public regulations (legislation, standards etc.) and no other unforeseen circumstances have arisen that will have a material and substantial impact on the implementation of the Project or Nordic Innovation's ability to contribute to it.
- There are no substantial deviations from the Contract, cf. clause 1.1.
- Nordic Innovation approves in writing, the Progress Report submitted by the Project Owner as set out in clause 4.

In the event that one or more of these conditions are not fulfilled, Nordic Innovation may at its sole discretion stop, withdraw or change the Grant and/or any Pledge for subsequent years, or if warranted under the circumstances, decide to terminate the Contract pursuant to clause 10.2.

# 3. ACCOUNTING AND AUDIT

The Project Owner undertakes to at all times keep updated Project Accounts.

Nordic Innovation is at any time entitled to verify that the funds granted are applied in accordance with the Contract. Upon a request from Nordic Innovation, the Project Owner shall without undue delay deliver, and cause Co-operating Partners to deliver, to Nordic Innovation receipts, time sheets, calculations and any other document necessary for the verification mentioned above. If the verification reveals that funds are not applied in accordance with the Contract, Nordic Innovation may at its own discretion change or terminate the Contract, cf. clause 10.2.

An authorized, external auditor shall verify and sign the Project Accounts. If the Project Owner is under supervision of the National Audit Office, the person responsible for the Project Owner's financial matters shall verify and sign the Project Accounts

## 4. REPORTING

### 4.1 ANNUAL REPORTING

For Projects with a Project Period of one year or less, the Project Leader shall prepare and submit to Nordic Innovation a final report (referred to as the Final Report), cf. clause 4.2.

For Projects with a Project Period of more than one year, the Project Leader shall annually and within a deadline set by Nordic Innovation prepare and submit to Nordic Innovation an annual report (referred to as the Progress Report), including a financial 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.a. the Project Description, Progress Plan and/or Budget. The Project Leader shall report substantial deviations to Nordic Innovation without undue delay as set forth in clause 1.1.

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

An approved Progress Report is required for the honoring of the Pledge for the subsequent year.

### 4.2 FINAL REPORTING

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

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

The Final Report must be approved by Nordic Innovation, and any unused funds shall be reimbursed to Nordic Innovation cf. clause 2.3.

### 4.3 OTHER REPORTING

None of the provisions in this clause 4 may be construed as a waiver by Nordic Innovation from duly receiving any other reporting Nordic Innovation may reasonably request in relation to i.a. internal and external assessments during the Project Period and 3 years after the Project Period.

### 4.4 REPORTING FORMAT

All reports shall be submitted in the manner specified by Nordic Innovation, and in accordance with Nordic Innovation's guidelines and report forms for reporting.

## 5. PROJECT RESULTS

It is a goal for the project that the result directly or indirectly leads to commercial use / value.

### 5.1 AGREEMENTS WITH CO-OPERATING PARTNERS

The Project Owner shall regulate the rights, ownership and other relevant terms and conditions, including potential protection and commercialization of Project Results, in a separate agreement(s) with the Co-operating Partners, as set out in clause 1.2.

Unless otherwise agreed upon the following regulations must be followed:

The parts of the project result that can be identified as separate rights, belong to the project participant that developed that part of the project result. If two or more project participants together developed a part of the project result that can be identified as a separate right; these participants are co-owners of this part of the project result.

On the demand of project participants and with the approval of Nordic Innovation, project results may be kept secret for up to a maximum of two years after the conclusion of the project. Special grounds include the protection of the immaterial rights of project participants, risk of plagiarism, violations of the duty of confidentiality, risk of harm to the project participants' various activities due to the publication, and other reasons that would make a publication requirement unreasonable in relation to the interests of the consortium.

Each project participant can patent their own contributions and results, and can protect the results of their contributions in the project or use the result. By the conclusion of the project, project participants must notify Nordic Innovation in writing about their plans for using or acquiring rights to the result or parts of the result.

During the project period, a rightholder cannot sell his/her rights or issue licenses to businesses or institutions without gaining consent in writing from the project participants and Nordic Innovation.

If a project participant is engaged in or plans to start research activities, product development or other projects that may conflict with the goal of the collaborative projects regulated by this Agreement, Nordic Innovation and the other project participants must be notified in writing.

## 6. PUBLICATION /COMMUNICATION

As a general rule, the Project Leader shall ensure that Project Results are made public as soon as possible in accordance with any communication plan included in the Contract, or on Nordic Innovations request.

The basic deliverables (unless Nordic Innovation has agreed on exceptions in writing) are:

- Press Release (400 words), focus on results.
- Press Release summary (200 words), focus on results.
- Summary Text about the project for Nordic Innovation's web page
- Pictures of project leaders, logos and product if available.
- Video, short video summary or presentation.
- Midterm Report (400 words), no later than after two thirds of the project period.
- Final Report, word format in N.I.'s template.

Nordic Innovations shall have the right to make these deliverables publicly available as it sees fit, including as a Nordic Innovation publication or inter alia via the internet in accordance with the (coming) Open Access policy of the Nordic Council of Ministers.

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

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

Nordic Innovation 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 Leader.

Nordic Innovation shall be invited to all profiling activities related to the Project. Nordic Innovation is also entitled to request the Project Leader, without any compensation, within reasonable cost, to participate in relevant meetings/seminars, or contribute otherwise with the objective to promote and facilitate the Nordic research co-operation in general, the Program, and the Project in particular.

News and insights shall be considered available to the public after the completion of the Project, unless special circumstances indicate otherwise, or terms of Contract or public regulations prevent it.

## 7. ORGANIZATION

The Project Owner shall establish a project management appropriate and suitable for the implementation of the Project, including but not limited to the appointment of a Project Leader.

## 8. TRANSFER OF CONTRACT

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

The Project Owner may not transfer any of its rights or obligations under the Contract without the prior written consent of Nordic Innovation.

## 9. INDEMNIFICATION

Nordic Innovation 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 Nordic Innovation 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.

## 10. DURATION AND TERMINATION OF THE CONTRACT

### 10.1 GENERAL

The Contract enters into force from the date on which the Agreement has been signed by Nordic Innovation and the Project Owner.

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
- Nordic Innovation has approved the Final Report; and
- The Project Owner has reimbursed to Nordic Innovation 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.

### 10.2 TERMINATION WITH IMMEDIATE EFFECT

Nordic Innovation may terminate the Contract in writing with immediate effect, and prior to the completion of the Project 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 from the Progress Plan and/or Project Description and/or from other circumstances and matters regulated by the Contract.
- The Project Owner is engaged in activities that are not compatible with current applicable legislation and/or the general aims and objectives of Nordic Innovation.
- 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.
- Nordic Innovation 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 Nordic Innovation receives less funding from the 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 Nordic Innovation's ability to contribute to it.

If Nordic Innovation terminates the Contract with immediate effect due to material breach on the part of the Project Owner, the Project Owner shall, if requested by Nordic Innovation, 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 Nordic Innovation is in material breach of its obligations pursuant to the Contract.

## 11. AMENDMENTS

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

Nordic Innovation may at any time unilaterally amend these Standard Terms and Conditions of Contract without the prior written approval of the Project Owner, provided such amendments do not unreasonably alter the Project Owner's rights and obligations.

## **12. DISPUTES**

This Contract is governed by and shall be interpreted in accordance with Norwegian law. Any disputes shall be settled by Oslo District court, unless otherwise agreed between Nordic Innovation and the Project Owner.