

The Nordic Energy Research Standard Terms and Conditions of Contract constitute an integrated part of all contracts entered into by Nordic Energy Research concerning the financing of research projects.

## Definitions

**Agreement:** The document signed and executed by and on behalf of Nordic Energy Research and the Project Owner, providing the agreed-upon regulations and specifications of the Project.

**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.

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

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

**Grant:** A commitment made by Nordic Energy Research 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 Energy Research.

**Parties:** Nordic Energy Research and the Project Owner.

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

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

**Annual Progress Report:** Annual progress report, including a financial report based on the Project Accounts.

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

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

**Project Accounts:** The accounts kept by the Project Owner 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 Manager:** 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 centre, or other research organization) having the rights and obligations defined by the Contract towards Nordic Energy Research.

**Project Partners:** The entities which 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.

**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 Energy Research and the Project Owner.

The Project Owner undertakes to immediately and without undue delay notify Nordic Energy Research 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 Energy Research 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 Energy Research in writing, the deviation(s) will be treated as a contractual amendment, cf. clause 11. Nordic Energy Research reserves the right to obligate the Project Owner to carry any costs associated with such an assessment.

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

### 1.2 Co-operation with Project Partners

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

For the avoidance of any doubt, such an agreement does not alter the fact that the Project Owner is solely responsible towards Nordic Energy Research in accordance with the Contract.

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

The Project Owner shall deliver to Nordic Energy Research a copy of the said agreement(s) no later than three (3) months after Nordic Energy Research and the Project Owner has signed the Contract, and in any event prior to the disbursement of any funding, cf. clause 2.2.

Should Nordic Energy Research not receive a copy of such agreement(s) within three (3) months after both Parties have signed the Contract, Nordic Energy Research may terminate the Contract in writing with immediate effect.

### **1.3 Guiding bodies**

In projects including guiding bodies such as reference groups or steering groups, the Project Owner is responsible for ensuring that minutes are taken from the meetings.

The Project Owner is responsible for ensuring that Nordic Energy Research has access to all notices and minutes from such meetings.

Nordic Energy Research has the right to participate as observer of the guiding body at any time it deems necessary.

## **2. Grants**

### **2.1 General**

A Nordic Energy Research Grant is stipulated and disbursed in NOK. Nordic Energy Research 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.

Grants are disbursed once a year for one year at a time, unless otherwise agreed in writing between Nordic Energy Research 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**

The Grant for the first year may only be disbursed once both Parties have signed the Contract and Nordic Energy Research has received the signed Contract and copies of Co-operating agreement(s). Pledges for subsequent years will be disbursed as specified in clause 2.5.

### **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 Energy Research, such unused funds shall be reimbursed to Nordic Energy Research in NOK and as

directed by Nordic Energy Research. In case of such reimbursement, the currency exchange rate in force at the time when the Final Report is sent to Nordic Energy Research shall apply.

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

The Project Owner may apply in writing to Nordic Energy Research via the Annual Progress Report for permission to transfer unused funds from one fiscal year to the next. If Nordic Energy Research rejects such transfer, the unused funds shall be repaid to Nordic Energy Research, and/or be deducted from any subsequent Grant(s) from Nordic Energy Research.

#### **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:

- Funds are pledged subject to the condition that the Nordic governments/Nordic Council of Ministers put sufficient funds at Nordic Energy Research's disposal.
- In case of Joint Financing, funds are pledged subject to the condition that Nordic Energy Research receives the agreed Joint Financing for the Project from the Financing Body/Bodies.
- 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 Energy Research's ability to contribute to it.
- There are no substantial deviations from the Contract, cf. clause 1.1.
- The Project receives a satisfactory evaluation of any midterm or other evaluation conducted by Nordic Energy Research, or by a consultant or External Reference Group under the auspices of Nordic Energy Research.
- Nordic Energy Research approves in writing the Annual Progress Report submitted by the Project Owner as set out in clause 4.1.

In the event that one or more of these conditions are not fulfilled, Nordic Energy Research 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**

Nordic Energy Research is at any time entitled to verify that the funds granted are applied in accordance with the Contract. Upon a request from Nordic Energy Research, the Project Owner shall without undue delay deliver, and cause Project Partners to deliver, to Nordic Energy Research 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 Energy Research may at its own discretion change or terminate the Contract, cf. clause 10.2.

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. In other circumstances, an authorised, external auditor shall verify and sign the Project Accounts.

## 4. Reporting

### 4.1 Annual progress reporting

The Project Owner shall annually and within a deadline set by Nordic Energy Research prepare and submit to Nordic Energy Research an Annual 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 substantial deviation from the Contract, i.e. the Project Description, Progress Plan and/or Budget. The Project Owner shall report deviations to Nordic Energy Research without undue delay as set forth in clause 1.1.

The Progress Report shall comprise any proposed revision of the Progress Plan and Budget.

An approved Progress Report, by Nordic Energy Research, is required for the honouring of the Pledge for the subsequent year.

### 4.2 Final reporting

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

Unless otherwise agreed in writing between Nordic Energy Research and the Project Owner, the Project Owner shall deliver the Final Report no later than three (3) months after the completion of the Project Period.

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

### 4.3 Other reporting

None of the provisions in this clause 4 may be construed as a waiver by Nordic Energy Research from duly receiving any other reporting Nordic Energy Research may reasonably request in relation to i.e. 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 Energy Research, and in accordance with Nordic Energy Research's guidelines and templates.

## 5. Project results and equipment

### 5.1 Intellectual property rights and ownership to equipment

In relation to Nordic Energy Research, the Project Owner acquires any and all intellectual property rights and any potential other rights to the Project Results, unless otherwise agreed in writing. However, Nordic Energy Research shall at its discretion be granted royalty-free, non-exclusive license and user rights to the Projects Results.

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

This provision does not prevent the Project Owner from sharing any intellectual property rights and potential other rights to the Project Results and the ownership to the equipment with its Project Partners and employees.

The issue of ownership, user rights, potential protection, commercialization of the Project Results and other issues relating to Project Results, intellectual property rights and ownership to equipment between the Project Owner and the Project Partners shall be regulated in the separate agreements to be concluded pursuant to clause 5.3.

## **5.2 Protection**

The Project Owner shall assess the need to protect Project results and if relevant provide for adequate and effective protection.

Nordic Energy Research will not provide the Project with additional funding to protect Project results.

## **5.3 Cooperation Agreements with Project 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 Project Partners, as set out in clause 1.2.

## **6. Dissemination**

As a general rule, the Project Owner shall ensure that Project Results are made public as soon as possible. The Project Owner is obliged to inform Nordic Energy Research of all publications and other dissemination activities on an ongoing basis.

All costs related to dissemination activities are to be included in the Budget. Nordic Energy Research will not provide any additional funding to the Project for dissemination activities. Throughout the Project Period the Project Owner and Project Participants are to actively take part in events organised by Nordic Energy Research in relation to the Project's scope.

Nordic Energy Research has the right to publish news and articles regarding the Project including the Project title, the Project Period, its financial contribution, a Project summary and Project Results achieved during the Project Period.

If publication of Project Results will interfere with the protection, commercialisation of any results, confidentiality obligations or be detrimental to the activities of the Project Owner, or of the Project Partners, the Project Owner may apply in writing to Nordic Energy Research for approval of a temporary postponement of the publication.

When the Project and/or Project Results are disseminated, the financial contributions made by Nordic Energy Research shall always be mentioned. Nordic Energy Research may issue instructions of how such contributions shall be mentioned.

## 7. Organisation

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

## 8. Transfer of contract

Nordic Energy Research 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 Energy Research.

## 9. Indemnification

Nordic Energy Research 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 Energy Research 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 Energy Research 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 Energy Research has approved the Final Report; and
- The Project Owner has reimbursed to Nordic Energy Research 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 Energy Research 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, which are not compatible with current applicable legislation and/or the general aims and objectives of Nordic Energy Research.
- 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 Energy Research 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 Energy Research receives less funding from Nordic governments/Nordic Council of Ministers.
- 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 Energy Research's ability to contribute to it.

If Nordic Energy Research 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 Energy Research, 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 Energy Research 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 agreed upon and signed by both Parties.

Nordic Energy Research 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 Energy Research and the Project Owner.