

# General Terms and Conditions for R&D Projects

**The General Terms and Conditions for R&D Projects constitute an integral part of all R&D project contracts with the Research Council of Norway and apply unless otherwise agreed in writing.**

**The following general terms and conditions apply as from 1 April 2015<sup>1</sup>.**

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<sup>1</sup> Applies to projects with closing date for applications after 1. April 2015.

## ► 1 Key terms

**Agreement document:** The document that is signed by the parties and that contains the agreed-upon specifications and stipulations for the project.

**Allocation:** The Research Council's approved contribution to the funding of a project, which is binding for one budget year at a time.

**Background:** The knowledge, including intellectual property rights, that the Project Owner and partners bring into the project.

**Collaboration agreement:** Agreement regulating among other things the approach, distribution of tasks and rights and obligations between the Project Owner and the partners that have assumed obligations to participate in the project.

**Commercial utilisation:** Direct or indirect use of project results in the development and/or marketing of products, services or processes, or the transfer and/or licensing of use of project results to third parties. Publication through publishing houses is not defined as commercial utilisation.

**Contract:** The R&D Project Agreement Document, the project description and the General Terms and Conditions for R&D Projects, as well as any specified supplementary documents.

**Contract administrator:** A designated individual who is authorised to accept and/or amend the agreement document for all R&D projects which the Project Owner has established with the Research Council.

**Cost plan:** A list of the overall budgeted project costs for the project period distributed by cost category.

**Direct costs:** Costs that are directly attributable to the implementation of the project.

**Force majeure:** Unforeseeable or exceptional circumstances beyond a party's control.

**Funding plan:** A plan indicating how the project costs will be financed throughout the project period.

### **General Terms and Conditions for R&D**

**Projects:** The general terms and conditions set out in this document.

**Indirect costs:** Costs that are associated with the project's proportional use of resources that are not directly attributable to the project.

**Intellectual property rights:** All rights to technical solutions, methods, processes and procedures, regardless of whether or not these are or may be patented. This also includes all copyrights and other rights to trademarks, design, plant species, databases, integrated circuit layout designs, drawings, specifications, prototypes, company-internal secrets and the like.

**Partner:** Institutions, companies and other activities (as well as any designated individuals) that the Research Council, in its contract with the Project Owner, has stipulated are under obligation to provide professional or financial resources for the implementation of the project.

**Party/Parties:** The Project Owner and the Research Council, individually or together.

**Pledge:** A conditional promise of funding from the Research Council.

**Progress plan:** Plan for the performance of the project's activities, including secondary objectives and milestones.

**Project:** The overall activities covered by the contract.

**Project accounts:** Accounts kept by the Project Owner over the project costs and project funding.

**Project administrator:** The individual who is authorised to represent and assume obligations on behalf of the Project Owner in respect of the Research Council. If the Project Owner has designated a specific contract administrator, then this individual will assume the role of the project administrator with regard to authorisation to accept and/or amend the agreement documents for all R&D projects which the Project Owner has established with the Research Council of Norway.

**Project costs:** Direct and indirect costs associated with the implementation of a project.

**Project description:** Scientific and administrative description of and plan for the implementation of the project.

**Project funding:** Resources that are made available in order to implement the project and cover the project costs, including financial resources and contributions in the form of offices/laboratories, research infrastructure, personnel, etc.

**Project manager:** The individual who is in charge of the progress and performance of the project on behalf of the Project Owner.

**Project Owner:** The institution, company or activity, that is responsible vis-à-vis the Research Council for ensuring that the project is carried out in accordance with the contract. In special cases, the Project Owner may be an individual.

**Project period:** The time span during which the project is to be performed, as specified in the agreement document.

**Project results:** All results produced or achieved in connection with the project, including intellectual property rights, regardless of whether or not the results are protected by law.

**Project summary:** Short scientific description of the project that may be made available to the public.

**R&D:** Research and development.

**Research-generated data:** Registered records, notes and reported information in the form of numbers, text, visual and audio files that are generated by or emerge in the course of the research project.

**Research infrastructure:** Facilities, resources and related services that are used by the scientific community to conduct research in their respective fields and covers scientific equipment or sets of instruments, knowledge-based resources such as collections, archives or structured scientific information, enabling information and communication technology-based infrastructures such as grid, computing, software and communication, or any other entity of a unique nature essential to conduct research. Such infrastructures may be “single-sited” or “distributed” (an organised network of resources).

**Sign/Signing:** Electronic acceptance of the contract on “My RCN Web” in the Research Council’s online application administration system and/or the physical signature on the agreement document.

## ► 2 The project

### 2.1 Project implementation

The project shall be carried out in accordance with the contract, including the project description, and the progress, cost and funding plans agreed in writing between the parties.

In cases where the Research Council has approved the grant application without requiring any special agreement document, the project shall be implemented in accordance with the grant

application and the General Terms and Conditions for R&D Projects issued by the Research Council.

The Project Owner shall report significant deviations relative to the contract to the Research Council in writing and without undue delay. Notification about such matters shall not be put off until the next progress report.

The Research Council will assess the impact of such deviations on the contractual relationship, cf. Sections 3.4 and 13, and will when necessary approve the deviations in writing. Changes to the contract shall be treated pursuant to Section 14.

The Project Owner is under obligation to prevent conflicts of interest or problems of impartiality from arising in relation to the project. This includes ensuring that the individuals who are employed or otherwise engaged in the project do not take part in administrative or decision-making processes pertaining to matters in which that individual or other parties close to that individual are deemed disqualified. The Project Owner is also under obligation to ensure that the individuals who are employed or otherwise engaged in the project do not take part in administrative or decision-making processes relating to matters in which there are other special circumstances that are apt to impair confidence in that individual’s impartiality.

The Project Owner is required to comply with the applicable statutory framework and other public regulations, ethical guidelines as well as recognised quality standards and norms for good research practice.

The Project Owner is under obligation to obtain the funds specified in the funding plan that are not provided by the Research Council.

The Project Owner is permitted to engage sub-contractors for the implementation of individual tasks in connection with the project within the parameters set out in the agreement document and/or the project description. The use of sub-contractors does not release the Project Owner from the obligations and responsibilities stipulated in the contract. Sub-contractors may not be granted any rights to project results.

The Project Owner shall ensure that all parties who carry out activities under the project respect the rights and obligations laid down in the contract.

### 2.2 Projects in collaboration with partners

The Project Owner and partner(s) are required to draw up written collaboration agreements to govern the reciprocal rights and obligations of the Project Owner and respective partners, cf. Section 7.2.2 among others. Unless otherwise agreed in writing,

such collaboration agreements are to be completed within three months after the Research Council has sent the contract to the Project Owner, and must have been received before the Research Council will disburse any funds.

In projects carried out in collaboration with partners, it is still the Project Owner who has the sole responsibility vis-à-vis the Research Council for ensuring that the project is carried out in accordance with the contract, and that all obligations under the contract are fulfilled.

The Research Council may stipulate special requirements pertaining to collaboration between partners in the agreement document.

The Project Owner is responsible for ensuring that the collaboration agreements comply with the terms and conditions of the contract, and that the partners at all times are informed about relevant elements of the contract. The collaboration agreements must be designed so as to ensure that the sum of the direct and indirect state aid to collaborating enterprises does not exceed the maximum aid intensity set out in the EU state aid rules.

Any changes in the composition of the partners as outlined in the agreement document will require the prior written approval of the Research Council.

The Project Owner and partners are permitted to enter into agreements with sub-contractors relating to the implementation of individual tasks under the project within the parameters set out in the agreement document and/or the project description. The provisions under the penultimate and final paragraphs of Section 2.1 will apply accordingly.

## ► 3 Disbursement, transfers and reservations

### 3.1 Disbursement

Before the Research Council can disburse any funds, the contract must be signed by both parties and received by the Research Council along with copies of any collaboration agreements. Prior to disbursement, the Research Council must also have received information about the Project Owner's bank account number in the manner specified. Funding will be paid into the bank account number that has been provided.

Unless otherwise agreed in writing, funds will be disbursed automatically at four-month intervals based on the agreed funding plan and the Research Council's allocation, as set out in the agreement document.

The Project Owner is required to verify that the sum disbursed is commensurate with the Research Council's allocation, cf. Article 6.2 of the agreement document. If the Research Council has paid out an amount that is higher than the allocation, the Project Owner must immediately repay the amount in excess.

The automatic disbursement of funds may be terminated if the Research Council finds that the performance of the project deviates significantly from the contract or that such termination is necessary for other reasons, see under Section 3.4. The Research Council will withhold the final four-monthly disbursement until the final report and or annual accounting report has been submitted and approved, cf. Section 5.2.

### 3.2 Unused funds from a fiscal year

Where special circumstances apply, and provided that written consent has been obtained from the Research Council, unused funding may be carried forward from one fiscal year to the next. The Project Owner must send the Research Council a request citing reasons why such a transfer is justified, together with the progress report or by other written means, at the latest by the end of calendar year to which the grant applies. In the event consent is not given for the unused funding to be carried forward, this amount will be deducted from the total allocated sum. If the funding has already been disbursed, the Research Council may reduce the following year's disbursement by a corresponding amount or require reimbursement of the unused funds.

### 3.3 Reimbursement of unused funds in connection with the final report

The final report shall indicate whether the project costs were lower than the amounts indicated in the cost plan and the amounts disbursed. Any unused, undisbursed funds shall revert to the Research Council. Disbursed, unused funding shall be repaid to the Research Council in the manner that it specifies.

### 3.4 Reservations

Allocations are made for one fiscal year at a time. Any pledges for subsequent years are not binding on the Research Council unless specifically stated in the agreement document.

Disbursement of the grant for Year 1 and honouring of any pledges for subsequent years are contingent on there being no changes in public regulations (rules, standards, legislation, etc.), and that no other unforeseen circumstances have arisen that will have

a major impact on the implementation of the project, or the Research Council's ability to contribute to it.

The Research Council will honour its pledge for subsequent years contingent on the following stipulations, among others:

- No significant deviations to the contract have occurred, cf. Section 2.1.
- The Research Council approves the progress report submitted by the Project Owner, cf. Section 5.1.

In the event one or more of these conditions is not satisfied, the Research Council may stop or change any future allocations or pledges. Furthermore, the Research Council may withdraw all or part of the disbursed allocation, or decide to cancel the contract pursuant to Section 13 below if this is warranted under the circumstances.

## ► 4 Accounting and verification

### 4.1 Accounting

The Project Owner is to keep a separate project account specifying project funding and project costs. Project funding and project costs must appear in the Project Owner's formal accounts. The project may only be debited with costs that are necessary to and directly associated with the implementation of the project, and that comply with what is set out in the cost plan.

The accounts shall be kept current. Under all circumstances, information of significance to the preparation of compulsory reports must be recorded within the deadlines that apply to such reporting. Project accounts must satisfy the requirements set out by the Research Council in its relevant guidelines.

### 4.2 Verification and responses

The Research Council, the Office of the Auditor General or a third party appointed by the Research Council are entitled at any time to verify that the funds are being applied in accordance with the contract. Upon a request from the Research Council or Office of the Auditor General, the Project Owner, and any partners, shall produce receipts, time sheets, calculations and any other relevant documentary evidence requested by the Research Council and/or the Office of the Auditor General to carry out such verification. In the event the verification reveals that the funds are not being or have not been applied in accordance with the contract, the Research Council may cancel the contract pursuant to Section 13 below, or stop or

change future disbursements under the contract, and/or withdraw all or part of the disbursed funds. The Research Council may also stop further disbursements to other projects being implemented between the contracting parties.

## ► 5 Reports

### 5.1 In general

The Project Owner is required to prepare and submit progress reports and final reports within the stipulated deadline, in the manner and format specified by the Research Council.

The Project Owner shall store the final report and project data in a safe and secure manner for at least 10 years after the conclusion of the contract period.

Failure to fulfil obligations regarding reporting will be deemed a material breach of contract, and gives the Research Council grounds for cancelling the contract, cf. Section 13.

### 5.2 Progress reports

In the progress report, the Project Owner is to

- provide information regarding the status of the project, including the implementation of activities in relation to the progress plan as well as the progression of project income and costs
- explain any deviations relating to the project that have occurred and their ensuing ramifications.

The progress report must be approved by the Research Council before the allocation can be disbursed and/or funding pledges will be honoured, cf. Section 3.4.

Significant deviations shall be reported in writing to the Research Council without undue delay. Notification about such deviations shall not be put off until the next progress report, cf. Section 2.1.

### 5.3 Final reports

Unless otherwise agreed in writing, the Research Council must have received the final report by at the latest one month after the conclusion of the project period.

The final report must be approved by the Research Council.

### 5.4 Other reports

Within reason, the Research Council is entitled to request additional reports covering shorter periods of time or specific parts of a project.

For certain types of projects, the Research Council requires the submission of a project account report. This is specified in the agreement document.

Upon the request of the Research Council, and to the degree possible, the Project Owner is required to contribute at no charge to any project evaluation or measurement of results organised under the auspices of the Research Council. Assessment of the scientific and economic significance of the project's results is included in this type of evaluation. Unless otherwise agreed in writing, the Project Owner will be under obligation to contribute in this way for a period of up to 10 years from submission of the final report.

The Project Owner is also required to submit accounts and any other statistical data relating to the project to the national research statistics authorities.

## ► 6 Personnel management, reporting, etc.

The Project Owner and any partners bear the employer's liability for all their own staff members who are affiliated with the project.

For fellowships, the following will apply:

- The Project Owner is responsible for administrative follow-up of fellowship-holders in accordance with the institution's own guidelines and routines.
- The Project Owner shall report all information relating to fellowships to the Research Council in accordance with the Research Council's established routines.
- The Project Owner is to report any change in the start-up or termination dates for a fellowship-holder to the Research Council immediately.
- Leaves of absence or reductions in contractually agreed working hours for a fellowship-holder during the fellowship period shall be reported in the progress and final report forms.
- The Project Owner is to process requests for leaves of absence that are pursuant to legislation or collective bargaining agreements, and which entail an extension of the fellowship period, in accordance with the institution's own guidelines.
- Should a fellowship-holder resign before expiry of the contracted period, the Project Owner must notify the Research Council without undue delay of the date of and reason for the fellowship-holder's departure.
- Should the Research Council find a fellowship-holder's progress to be less than satisfactory, the issue must be raised with the Project Owner, who is required to implement feasible,

reasonable measures as dictated by the Research Council. In the event the Project Owner finds grounds indicating the fellowship should be discontinued or terminated, the Research Council shall be notified immediately. The Research Council must provide written consent before the fellowship may be discontinued or terminated.

- With regard to doctoral fellows affiliated with the project, the Project Owner is required to notify the Research Council of the date on which the fellowship-holder's doctorate was approved. The Project Owner shall forward doctoral theses and other reports to the Research Council upon request.

## ► 7 Right of ownership, utilisation rights and licensing

### 7.1 Research infrastructure

The Project Owner has ownership of research infrastructure purchased with project funds unless another agreement is in place between the Project Owner and any partners. Ownership of the research infrastructure shall in that case be regulated in the collaboration agreement.

The Project Owner is required to ensure that the research infrastructure is adequately insured and kept operational and in good working order during the contract period. Failure to fulfil these obligations gives the Research Council grounds to cancel the contract, cf. Section 13.3.

### 7.2 Project results

The provisions set out in sections 7.2 and 7.3 are based on the Principles for the Research Council of Norway's Policy on Intellectual Property Rights (approved by the Executive Board on 24 April 2008).

#### Rights

The Project Owner and any relevant partners must obtain the rights to commercial utilisation of the project results, and are required when necessary to sign agreements with owners, employees (including individuals with multiple employers), sub-contractors and others to achieve this.

The obtainment of such rights is not intended to limit the protection accorded the rightsholder's moral rights pursuant to the Norwegian Copyright Act, nor does it preclude agreements regarding remuneration schemes for rightsholders corresponding to those that apply to employees' patentable inventions pursuant to the Act respecting the right to employees' inventions.

#### Protection

The Project Owner and any relevant partners must assess the need to protect project results that may have commercial value and, when so indicated, take suitable protective action. Where legislation requires that rights must be registered to obtain protection, the Project Owner shall ensure that such registration is carried out.

### **Utilisation**

The project results must be utilised within a reasonable period of time, given the characteristics of the particular industry, the market and the specific field of research, as well as the product's development time-frame, useful economic life and utilisation opportunities. If the party holding the rights to the project results does not achieve such utilisation, the persons who have produced the project results may demand that the rights are transferred to them, unless a different agreement is in place between the Project Owner and those same persons, or between the various parties involved in projects in collaboration with partners. This does not apply, however, in cases where:

- measures to achieve utilisation have been launched and are underway;
- the rightsholder's lack of utilisation of a project result is of commercial significance for the utilisation of the rightsholder's other project results.

### **Transfer of project results to a foreign legal entity**

The transfer of ownership and/or licensing of exclusive rights to project results to a third party who is not a partner, and who is in a country outside the European Economic Area, may not take place without the written approval of the Research Council. The Research Council may refuse to allow transfers/licensing agreements if they are in conflict with national economic interests, ethical principles or considerations relating to the safety of the realm. Alternatively, the Research Council may stipulate conditions for the proposed transfers/licensing agreements. A request may be considered approved if the Research Council has not responded within four weeks of receipt of written notification. This provision applies for the duration of the project period and for three years after the project has been concluded.

### **Changes in ownership – foreign owners**

The Research Council shall be notified immediately and in writing if a person or an undertaking outside the European Economic Area assumes a controlling interest in the Project Owner through the acquisition of a stake in the enterprise (shares, etc.), by agreement or by other means. The Project Owner is also required to notify the Research Council immediately and in writing if a person or

an undertaking outside the European Economic Area assumes a controlling interest over any of the partners after a contract has been signed.

If the changes in ownership entail that the project results may be used in conflict with national economic interests, ethical principles or considerations relating to the safety of the realm, the Research Council is entitled to impose conditions regarding the project and project results, including that the Project Owner shall wholly or partially transfer the project results exclusively to the Research Council. The Research Council may also cancel the agreement document pursuant to Section 13.3. This provision applies for the duration of the project period and for three years after the project has been concluded.

## **7.3 Supplementary provisions for projects in collaboration with partners**

### **Rights**

The Project Owner and partners must sign a collaboration agreement that regulates e.g. principles for how ownership and utilisation rights are to be distributed and managed between the various participants, as well as how potential project results are to be protected. The Research Council may stipulate additional provisions under Article 8 of the agreement document that impose limits of the autonomy of participants to agree on how the rights are to be distributed.

### **Collaboration agreement(s)**

The collaboration agreement(s) to be drawn up pursuant to Section 2.2 must incorporate the following principles:

- a) The use of, and any compensation for, the background and any research infrastructure brought into the project must be regulated in the collaboration agreement.
- b) For the duration of the project period, the Project Owner and partners must have the right to use, at no charge, all project results that are necessary for implementing their own work in the project.
- c) The Project Owner and partners must have the right to use project results and background brought in according to the agreed-upon terms, when this is necessary for commercial utilisation of the project results to which they themselves have rights under the project. Principles for distribution of project results and user rights are to be set out in the collaboration agreement(s).

- d) The research institutions, including hospital trusts, should be entitled to assume the ownership and utilisation rights to the project results that lie outside the commercial interests of the Project Owner and other partners. Areas of commercial interest to the participants should be defined in the collaboration agreement.
- e) The educational institutions, including the hospital trusts, should be able to use the project results at no charge for educational and research purposes, when necessary after an agreed-upon time period has elapsed.

## ► 8 Publication and archiving

### 8.1 Publication of project results

Unless otherwise stipulated below, the Project Owner is required to make the project results public as quickly as possible. This includes ensuring that the dissemination measures and plans specified in the contract are implemented.

If publication of project results will interfere with the protection or commercial utilisation of the project results, the publication may be temporarily postponed until such protection or commercial utilisation has been achieved. For projects in collaboration with partners, the Project Owner is responsible for ensuring that such postponement is agreed in writing between the participants involved.

In special cases, the Research Council may give its written consent to the imposition of permanent secrecy on the project results. This does not apply to projects with participants from the university and university college sector, as it is in contravention of the Act relating to universities and university colleges.

Research-generated data must be made publicly available after the conclusion of the project, unless special circumstances indicate otherwise, or unless this is prevented by the terms and conditions of the contract or other public rules.

### 8.2 Archiving of project results

The Project Owner shall ensure that all research-generated data, including all data that forms the basis for publications, is stored in a secure digital archive. Such archiving is to be carried out as soon as possible and at the latest two years following the conclusion of the project period. The Research Council may require that all such data, including the necessary documentation for reuse of data (metadata), is stored in designated, secure national or international archives. In these cases, the Project Owner will be contacted by a data archive that

follows up the archiving requirement on behalf of the Research Council. For projects in the fields of social science, humanities, medicine and health, and environmental and development research, this archiving will be carried out by the Norwegian Social Science Data Services (NSD). For more information, please see the NSD website at <https://www.nsd.no>.

The Project Owner is under obligation to ensure that a copy of peer-reviewed scientific articles based on research wholly or partially funded by the Research Council is stored in appropriate, open-access digital archives. The archived version must have the same content and form as the version published in the journal. This obligation does not apply if open access to the archived version in any way conflicts with the author's academic and legal rights.

### 8.3 Publication of project information

The Project Owner and any partners are required to make reference to the Research Council's funding scheme and contribution to the project in any external information issued about the project.

The Research Council has the right to publish the name of the Project Owner and project manager, the project title, the duration of the project, the project summary, the popular science presentation and the amount of its financial contribution.

The Research Council may publish project results that are reported in connection with the progress and final reports unless the information has been designated as confidential.

Within reason, the Research Council is entitled to require that the Project Owner establishes a website for the project and that employees and other participants on the project team take part in relevant seminars, conferences and other dissemination and networking measures.

## ► 9 Confidentiality

The Research Council is required to comply with the Freedom of Information Act of 19 May 2006 and the provisions relating to duty of secrecy under the Public Administration Act of 10 February 1967. The Research Council is permitted to make research administrative data about the project available for research purposes. In the event of any publication of research findings, the data will be anonymised. Research administrative data in this context encompasses information about the Project Owner, project management, project funding, etc.



Duty of secrecy does not preclude the relaying of information if the authorities or courts may require this pursuant to current legislation.

## ► 10 Transfer

The Project Owner may not transfer, mortgage or in any other way convey the use of the contract, or portions of the contract, including allocations and pledges from the Research Council, without the prior written consent of the Research Council. Consent for mortgage proceedings must be provided in written form by the Research Council's director of financial affairs.

## ► 11 Indemnification and discharge of liability

The Project Owner bears liability for ensuring that the performance of the project does not violate the rights of any third parties, including the third party's copyrights and other intellectual property rights, or can in any other way lead to claims from a third party.

The Project Owner shall indemnify the Research Council against any claims resulting from the Project Owner's performance of the project, including claims related to infringements of intellectual property rights.

The Research Council bears no legal or financial liability for injuries or losses ensuing from e.g. defects in or non-proficient use of equipment, methods or programmes associated with the project.

## ► 12 Force majeure

Either party shall notify the other without undue delay should a situation of force majeure prevent that party from fulfilling its obligations under the contract.

None of the parties is to be held liable for a breach of contract if the inability to fulfil its obligations is due to force majeure.

Should force majeure entail a risk that the project can not be performed in accordance with the contract, the parties shall meet to negotiate any contract adjustments that might be required. Should the parties fail to agree on such adjustments, the Research Council is entitled to stop payment of the allocation until the situation of force majeure is resolved.

If the situation of force majeure is expected to last, or has lasted, for more than 90 days, each of the parties may terminate the contract with one month's notice.

## ► 13 Duration and discharge of the contract

### 13.1 In general

The contract will enter into force from the date on which it has been signed by both parties and one copy along with any signed collaboration agreements have been received by the Research Council. The contract will be discharged without notice upon conclusion of the project and submission and approval of the final report, unless the contract period is terminated earlier pursuant to the terms set out under Sections 12 or 13.2 (below).

Discharge of the contract does not imply cessation of contract provisions that are not, by their nature, limited to the contract period. This applies, for example, to the provisions pertaining to accounts, reports, the transfer of project results, publication, etc.

### 13.2 Termination of the contract by agreement

The parties may agree in writing to terminate the contract before the conclusion of the project period.

### 13.3 Cancellation

Notification of cancellation shall be submitted in writing by registered letter, specifying the reasons for cancellation.

The Research Council may cancel the contract with immediate effect in the event of a material breach on the part of the Project Owner. Such a material breach includes among other things situations in which:

- there are significant deviations in relation to the progress plan or other factors regulated in the contract;
- the Project Owner has not fulfilled the obligations relating to reporting and archiving, cf. Sections 5 and 8, respectively;
- the disbursed funds have not been applied in accordance with the contract, cf. Section 4.2;
- research infrastructure has not been adequately insured and kept operational and in good working order during the contract period, cf. Section 7.1;
- the Project Owner is engaged in activities which are not compatible with the current legislation or with the Research Council's objectives and guidelines;
- the Project Owner is unwilling or unable to complete the project.

The Research Council may furthermore cancel the contract with immediate effect in the event that:

- a person or undertaking outside the EEA assumes control of the Project Owner, and the terms set out under Section 7.2.1, final clause are met;
- there is notification of a declaration of bankruptcy, or a petition for compulsory winding up or the opening of composition proceedings on the part of the Project Owner, or there is other compelling reason to believe that the Project Owner is insolvent;
- a decision has been taken to close down the Project Owner's activities or there is other compelling reason to believe that grounds exist for forced dissolution of the company;
- key prerequisites underlying the contractual relationship are not fulfilled, such as the Research Council receives less funding than expected, or there are changes in public regulations or other unforeseen circumstances arise that will have a major impact on the implementation of the project or the Research Council's ability to contribute to it, cf. Section 3.4.

The Project Owner may cancel the contract with immediate effect in the event of a material breach on the part of the Research Council.

If the Research Council cancels the contract on grounds of a material breach on the part of the Project Owner, the Research Council has the right to claim reimbursement for disbursed allocations, including interest on the amount from the date of the breach, in accordance with the Act relating to interest on overdue payments, etc.

In lieu of such reimbursement, the Research Council may demand transfer of the rights to project results.

The claim for such transfer shall be submitted in writing, and the Project Owner shall surrender the rights without undue delay, and cover any costs in connection with the transfer. Upon surrender, the right of ownership will be passed from the Project Owner to the Research Council or to a relevant third party.

## ► 14 Amendments

The Research Council may introduce amendments as set out in the contract. Beyond this, any amendments will require the approval of the parties. All amendments must be specified in writing.

## ► 15 Choice of law/venue

This agreement is governed by and shall be interpreted in accordance with Norwegian law.

Any disputes shall be settled in the ordinary courts. The Oslo District Court shall serve as the court of venue.

In the event that the Project Owner is a public institution, disputes shall be submitted to the Ministry of Education and Research, which will decide how these shall be solved.