

SCIENCE FOUNDATION IRELAND

TERMS AND CONDITIONS

Of

RESEARCH GRANTS

(August 2006)

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1. Definitions

<i>Annual Report</i>	<i>Shall comprise the report submitted by the Research Body to the Foundation in accordance with clause 5 below.</i>
<i>Application</i>	<i>Shall comprise the grant application form; all documents attached thereto (within the limits prescribed in any supporting notes and the General Terms and Conditions;) and all Budgets concerning the application between the Research Body, the Principal Investigator and the Foundation.</i>
<i>Budget</i>	<i>Shall be the Budget annexed or otherwise identified in the Letter of Offer and any modification thereof agreed in writing by the Foundation following annual review or otherwise.</i>
<i>Eligible Costs</i>	<i>Shall mean those costs outlined in clause 2.</i>
<i>Foundation</i>	<i>Shall mean Science Foundation Ireland a body established in Ireland under the Industrial Development (Science Foundation Ireland) Act, 2003 to promote and develop world class research capability in strategic areas of scientific endeavour.</i>
<i>Grant Conditions</i>	<i>Shall mean collectively the Application, the Budget, the Letter of Offer, the Intellectual Property Guidelines and General Terms and Conditions together with any binding Variation thereof.</i>
<i>General Overheads</i>	<i>Shall comprise the general facility made available by the Research Body for use by the Research Programme, including office and research space; utilities (i.e. electricity, heat, and water); technical and other support; and clerical and administrative staff.</i>
<i>General Terms and Conditions</i>	<i>Means the terms, conditions, warranties and covenants set out in this document together with any binding Variation thereof</i>
<i>Intellectual Property</i>	<i>means all intellectual property produced in connection with the Research Programme including copyrights, patents, design rights, trade secrets, rights in confidential information, trade marks, trade names, domain names, service marks, utility models, moral rights, topography rights, rights in databases and know-how in all cases whether or not registered or registerable and including registrations and applications for registration of any of these rights to apply for the same, and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world and the term “Intellectual Property Rights” shall be construed accordingly.</i>
<i>Intellectual Property Guidelines</i>	<i>The Funding Agency Requirements and Guidelines for Managing Research Generated Intellectual Property (2006) (a copy of which has been provided to the Research</i>

	<i>Body and Principal Investigator and which is available on the Foundation's website http://www.sfi.ie) as amended extended or replaced from time to time. The Foundation requires that the Research Body and Principal Investigator comply with the Intellectual Property Guidelines.</i>
Letter of Offer	<i>The letter issued by the Foundation awarding the Research Grant to the Research Body and all documents ancillary thereto.</i>
No-Cost Extension	<i>Shall have the meaning set out in Clause 18</i>
Overhead Investment Plan	<i>Such details of the Research Body's strategic plan for the overall development of research support services and infrastructure for the benefit of their researchers, requirements or other details relating to General Overheads as may be requested by the Foundation in accordance with Clause 2.</i>
Parties	<i>The Foundation, the Research Body and/or the Principal Investigator.</i>
Programme Asset	<i>Shall mean any asset including real estate or equipment, acquired, generated or established directly or indirectly with the benefit of the Research Grant.</i>
Principal Investigator	<i>The individual employed by the Research Body nominated as such by the Research Body in the Application and approved in writing by the Foundation who will be responsible for the scientific and technical direction of the Research Programme and the submission of reports.</i>
Remuneration	<i>Shall mean a contribution towards the salary of the Principal Investigator and members of the Research Team together with the Research Body's contribution to their pension and PRSI costs, if applicable, at the rate indicated in the Budget or as otherwise expressly agreed in writing by the Foundation.</i>
Research Body	<i>Shall mean a third-level educational establishment or any other non-profit research organisation in Ireland.</i>
Research Grant	<i>Shall mean the lesser of</i> <ul style="list-style-type: none"> <i>(i) The specific eligible costs actually incurred by the Research Body in the establishment, administration, and execution of the Research Programme and all reasonably necessary ancillary activities indicated in the Budget or otherwise agreed in writing between the Research Body and the Foundation, or</i> <i>(ii) The maximum sum offered by the Foundation to the Research Body in the Letter of Offer.</i>
Research Programme	<i>The work proposed in the Application and outlined therein and any modifications thereto agreed in writing by the Foundation.</i>
Research Team	<i>The Principal Investigator and the additional research staff, if, any, working on the Research Programme and whose employment by the Research Body is necessitated by the Research Programme .</i>

Scientific Misconduct	<i>Shall mean fabrication, or falsification of research or research results or plagiarism in proposing, performing, or reviewing research, or in reporting research results.</i>
Subject Invention	<i>Means any invention conceived or first actually reduced to practise in the performance of the Research Programme .</i>
Subject Writing	<i>Means any writing, sketch, diagram, calculation, record, or document of any kind conceived or produced in the course of the Research Programme in which copyright may vest and includes such items as reports, books, journal articles, software, sound recordings, video tapes, and video discs.</i>
Term	<i>Shall have the meaning set out in Clause 19</i>
Variation	<i>Any variation to the Grant Conditions in accordance with clause 24.</i>

2. **Costs Eligible for Grant Support**

General

- 2.1 The objective of the Foundation is to utilise its resources to provide funding for Research in a manner consistent with the best practice in the world.
- 2.2 Costs eligible for support from the Research Grant shall be only those specified in the Budget, as agreed with the Foundation, and shall comply with such guidance as may be issued from the Foundation from time to time and the Grant Conditions. They may include both Direct and Indirect Costs set out hereunder.

Direct Costs

- 2.3 Direct Costs eligible for grant support are those costs that can be uniquely and unambiguously identified with a particular Research Programme which is being conducted in Ireland, unless the Foundation agrees in writing that it may be conducted outside Ireland. All eligible costs shall be
- (a) reasonable and necessary;
 - (b) incurred solely to advance the Research Programme or, if any single item shall benefit both the Research Programme and other work, then such costs shall be eligible only in proportion that such costs bear to the proportionate benefit derived from them by the Research Programme;
 - (c) not otherwise reasonably available and accessible;
 - (d) of the type normally charged as a direct cost to sponsored agreements; and
 - (e) incurred in accordance with the terms of the Grant Conditions.
- 2.4 Direct Costs may include:
- (a) The Foundation's contribution to the Remuneration, pension and other benefits of the Principal Investigator and the members of the Research Team (in this clause referred to as 'the Employee') at the rate indicated in the Budget

or as otherwise agreed in writing by the Foundation, in accordance with the practices of the Research Body and provided that the terms of such employment shall enable the Research Body to comply with the requirements of the General Terms and Conditions set out at clause 4.1(e) (procuring compliance with Grant Conditions) and clause 13 (Intellectual Property) below. Where the Employee is not employed full time upon the Research Programme, Direct Costs shall include only that portion of the contribution towards the Employee's Remuneration which shall produce an equitable distribution of charges for the Employee's activities in accordance with methods that shall clearly distinguish the Employee's activities on the Research Programme from any other activity;

- (b) The cost of all equipment acquired at the least cost and upon the most competitive terms having regard to the needs of the Research Programme as to economy, time, and quality, and without any conflict of interest and upon a commercial basis with the supplier and always to the best advantage of the Research Programme;
- (c) Reasonable and vouched travel and other expenses directly related to scientific collaboration on the Research Programme, or for the learning of special techniques in accordance with the established travel and subsistence policies of the Research Body. In the case of working visits, the rates sought for subsistence and other allowances shall be payable up to the level allowed by the Research Body to its permanent staff of equivalent grade or seniority unless otherwise expressly agreed in writing by the Foundation;
- (d) The actual costs of materials and consumables, including software licences, and costs associated with access to and the use of equipment and services not available in the Research Body that are specifically acquired for the Research Programme and whose purpose so justifies; and
- (e) Other approved direct costs associated with the Research Programme as outlined in the Budget and agreed in writing by the Foundation.

Indirect Costs

- 2.5 Indirect costs eligible for grant support shall be incurred in accordance with the terms of the Grant Conditions and shall comprise a contribution to General Overheads up to a maximum sum equivalent to the percentage of Direct Costs, as defined in accordance with any guidance issued by the Foundation in this respect from time to time, and in the absence of any such guidance, 30% of the Direct Costs, as defined above but excluding therefrom the cost of all equipment identified in the Application. On request by the Foundation, the Research Body shall provide the Foundation with its Overhead Investment Plan. Such request may be made annually or at such other intervals as the Foundation may determine.
- 2.6 Unless agreed otherwise by the Foundation, Eligible Costs (Direct or Indirect) shall not include any item to the extent that it is sponsored or funded by other sources including, in particular, where such sponsorship or funding has not been disclosed in the Application.

3. **Warranties**

3.1 The Research Body warrants that:

- (a) it has full power and authority to execute and deliver the Grant Conditions and to comply with the provisions of, and perform all its obligations and exercise all of its rights under the Grant Conditions;
- (b) the Grant Conditions are executed by its duly authorised representative with full power and authority to bind it;
- (c) it has obtained all necessary consents, approvals, authorisations, licences and permissions which are required to enable it to comply with its obligations under the Grant Conditions and will throughout the duration of the Grant Conditions maintain all such consents, approvals, authorisations, licences and permissions and shall not commit any act or omission which might invalidate, breach or otherwise impair the effect of such consents, approvals, authorisations, licences or permissions;
- (d) every statement, representation or information provided in the Application, any documents furnished therewith, any Annual Report, or in response to request of the Foundation is, to the best of the Research Body's knowledge, true, complete and accurate;
- (e) the Budget submitted or agreed with the Foundation comprises only Eligible Costs above;
- (f) there is no other information of which the Research Body or its agents is aware that is relevant to the Application or the interests of the Foundation concerning the Application or the Research Grant;
- (g) the Research Programme will be performed with due skill care and diligence and by appropriately qualified personnel;
- (h) the Research Programme shall be conducted in compliance with Irish or other applicable laws; and
- (i) the Research Programme shall be conducted in accordance with such ethical guidelines as may be issued by the Foundation, or any relevant industry or other regulatory body, from time to time, including (without limitation) guidelines relating to the conduct of trials, clinical or otherwise, which involve members of the public or samples taken from them.

4. **Responsibilities of the Research Body**

- #### 4.1 The Research Body shall have full responsibility for the Research Programme, the Research Grant, and for the adherence by the Research Body, the Principal Investigator and the Research Team to the Grant Conditions. Although the Research Body is encouraged to seek the advice and the opinion of the Foundation on special problems that may arise, such advice does not diminish the Research Body's responsibility and shall not imply that the responsibility of the Research Body has

shifted to the Foundation in any way. In particular but without prejudice to the generality hereof the Research Body shall:

- (a) comply in every respect with the Grant Conditions and help ensure that all funds claimed and paid are allowable, necessary and reasonable for the conduct of the Research Programme, and that any proposed action on the part of the Principal Investigator, the Research Team, or the Research Body;
 - (i) is consistent with the Grant Conditions;
 - (ii) is consistent with the policies of the Foundation;
 - (iii) represents effective utilisation of the resources of the Foundation; and
 - (iv) does not constitute a significant programme change, unless otherwise agreed in writing by the Foundation;
- (b) ensure that the Principal Investigator receives a copy of each part of the Grant Conditions, and any subsequent changes or binding Variations thereto;
- (c) procure that the Principal Investigator and the Research Team shall fully discharge and comply with the obligations on their part to be performed in the Grant Conditions;
- (d) employ the Principal Investigator and all members of the Research Team from resources allocated in respect of the cost of such employment in the Budget and upon such terms and conditions as may be agreed between the Research Body, the Foundation and the individual member of the Research Team in accordance with the practices of the Research Body;
- (e) secure through each of the employment agreements with the members of the Research Team the covenants and assignments which the Research Body may require to comply with the requirements of the General Terms and Conditions set out at clause 13 (Intellectual Property) below;
- (f) use the entirety of the Research Grant monies received only in accordance with the Budget in furtherance of the Research Programme and in accordance with the Grant Conditions.

5. **Reports**

Annual Report

5.1 The Research Body shall deliver to the Foundation not later than each anniversary of the commencement of the Research Programme, an Annual Report on the progress of the Research Programme which shall contain:

- (a) such information as may be reasonably required by the Foundation and notified to the Research Body and/or Principal Investigator from time to time;

- (b) a concise summary of the progress of the Research Programme in accordance with such instructions as may be issued by the Foundation in respect of such Annual Reports, and having regard to the objectives set out in the Application and any subsequent Annual Reports; and
- (c) a list of all outputs concerning the Research Programme, whether provided by the Research Body, the Research Team or any third party, including;
 - (i) details of all academic, industrial and other interactions;
 - (ii) a list of patents applied for, and patents awarded;
 - (iii) a list of all publications concerning the Research Programme, whether published by the Research Body, the Research Team or any third party;
 - (iv) a list of all Subject Inventions;
 - (v) a list of all disclosures of Subject Inventions, together with full details thereof;
 - (vi) a summary of scientific prizes received;
 - (vii) a list of all presentations made at public or invited gatherings, conferences or other fora, concerning the Research Programme; and
 - (viii) an expenditure report containing such data, and vouching documentation in accordance with such instructions as may be issued by the Foundation in that respect, outlining the use made of the funding to date, and any additional sources of funding obtained by the Research Programme since the commencement of the Research Programme or which the Research Body hopes to obtain in support of the Research Programme.

Final Report

5.2 The Research Body shall deliver to the Foundation not more than 60 days following completion of the Research Programme, or earlier if requested by the Foundation, a Final Scientific Report which shall include:

- (a) details of all academic, industrial and other interactions;
- (b) a concise summary of the research achievements relative to the original proposal;
- (c) a list of all publications concerning the Research Programme, whether published by the Research Body, the Research Team or any third party;
- (d) a list of all Subject Inventions;
- (e) a list of all disclosures of Subject Inventions, together with full details thereof;
- (f) a list of patents applied for, and patents awarded;

- (g) a summary of scientific prizes received;
- (h) a list of all presentations made at public or invited gatherings, conferences or other fora, concerning the Research Programme;
- (i) a reconciliation of the Budget with actual expenditure throughout the term of the Research Programme;
- (j) a list of students who have received advanced degrees along with thesis titles; and
- (k) such other information as may be reasonably required by the Foundation and notified to the Research Body and/or Principal Investigator from time to time.

6. Programme Assets

General

6.1 The Research Body shall act with prudence and probity in the acquisition and care of all Programme Assets and shall ensure that all expenditures shall be an Eligible Cost. In particular but without limitation to this clause, the Research Body shall:

- (a) not pledge, charge or otherwise encumber any Programme Asset without the written approval of the Foundation;
- (b) use the Programme Assets on the Research Programme for which they were acquired as long as they are needed, whether or not the Research Programme continues to be supported by the Research Grant, and if, during the term of the Research Programme or thereafter, an asset is not required for use by the Research Programme, the Research Body shall make it available for use in the following order of priority:
 - (i) to any other Research Programme within the Research Body sponsored by the Foundation;
 - (ii) to any other Research Programme sponsored by the Foundation;
 - (iii) to any other research in Ireland in receipt of sponsorship or funding from the Research Body;
 - (iv) to any other research within the Research Body which is in receipt of sponsorship or funding from any agency of the Irish Government or the European Commission;
 - (v) to any other research in Ireland which is in receipt of sponsorship or funding from any agency of the Irish Government or the European Commission;
 - (vi) to any other research or use nominated or directed in writing by the Foundation; or

- (vii) as the Research Body itself may reasonably desire in furtherance of its educational and research objectives.

PROVIDED that where such Programme Asset is made available for other use, the Research Body may require payment of a reasonable market fee in respect of such use which shall be treated as income of the Research Programme.

Ownership

- 6.2 Subject to the terms of clause 6.4 (sale or disposal of Programme Assets) and unless specified otherwise by the Foundation in the Letter of Offer or elsewhere in the Grant Conditions, title to Programme Assets purchased or generated with the Research Grant funds by the Research Body will vest in the Research Body subject always to the Grant Conditions, and in particular the provisions of clause 6.1 of the General Terms and Conditions, in default of which the Research Body shall be deemed to have forfeited title in favour of the Foundation.

Property Management

- 6.3 The Research Body shall ensure effective property management and maintenance standards and in particular shall maintain detailed and accurate records containing the following information:
 - (a) a description of the Programme Asset;
 - (b) manufacturer's serial number and model number;
 - (c) source and/or supplier of the Programme Asset;
 - (d) details regarding the funding by which each Programme Asset was acquired;
 - (e) details regarding title to the asset;
 - (f) date of acquisition and cost;
 - (g) information from which one can calculate the percentage of the Foundation's participation in the cost of the Programme Asset;
 - (h) location and condition of the Programme Asset and the date upon which that information was reported;
 - (i) unit acquisition cost; and
 - (j) ultimate disposition data, including date of disposal and sale price and the method used to determine current fair market value.
- 6.4 The Research Body shall not sell or otherwise dispose of any Programme Asset without first offering such asset for sale to other Research Bodies at a cost no greater than the lesser of:
 - (a) the written down value in the accounts of the Research Body; or

(b) the current market value of that Programme Asset.

6.5 The Research Body shall suitably designate or label the Programme Asset to acknowledge the support of the Foundation.

Insurance

6.6 The Research Body shall insure all Programme Assets with an insurer of good repute against fire, loss, damage or theft and such other appropriate risks as may be advised, to the full replacement value thereof and unless otherwise agreed by the Foundation in writing shall employ the proceeds of any claim made pursuant to that insurance upon the provision of a suitable replacement of the Programme Asset.

7. Prevention of Scientific Misconduct

7.1 The Research Body shall have in place adequate systems for assuring the quality of research carried out by the Principal Investigator and the staff of the Research Body so that Scientific Misconduct shall be prevented, and if not prevented, shall be detected and terminated forthwith. The Research Body shall have effective mechanisms for identifying Scientific Misconduct and shall have clearly publicised and agreed procedures for investigating allegations made of such misconduct.

8. Tax clearance

8.1 Before any part of the Research Grant is paid, and subsequently before any instalment of the Research Grant is claimed, the Research Body shall satisfy the Foundation that it holds a valid tax clearance certificate from the Revenue Commissioners.

9. Limitation of Liability and Indemnity

9.1 The Research Body shall be wholly responsible for the conduct of the Research Programme, and the Foundation shall have no obligation, responsibility, or any liability financial or otherwise of any kind to the Principal Investigator or the Research Body or any member of the Research Team arising from the Grant Conditions, or any representation or other act or omission connected with these presents, save and except to pay the Research Grant in accordance with the Grant Conditions.

9.2 The Research Body shall fully indemnify and hold the Foundation, and its officers, members, servants or agents, harmless against all liabilities, loss, damages, costs (including legal and/or professional costs) and claims of any kind arising from any act or omission of the Research Body, Principal Investigator or any member of the Research Team in connection with the Research Programme or the use of the Research Grant or from the provision of any funds, advices, or assistance of any kind given by the Foundation pursuant to the Grant Conditions.

10. Responsibilities of Principal Investigator

10.1 The Principal Investigator shall be responsible for the direction, management and pursuit by the Research Team of the Research Programme in all of its objectives and the efficient, proper and appropriate conduct of that programme from a financial, legal

and ethical perspective. In particular the Principal Investigator shall do all acts, deeds and things necessary or desirable to facilitate and enable the Research Body to comply with the Grant Conditions and its reporting obligations in particular.

11. **Responsibilities of Research Body and Principal Investigator**

11.1 The Research Body and the Principal Investigator shall do all acts, deeds and things reasonably required in order to give effect to the Grant Conditions and to further the objectives of the Foundation, in particular in so far as the Grant Conditions provide for:

- (a) the transfer, licensing or sharing of ownership, exploitation, commercialisation and management of any Intellectual Property resulting from the Research Programme; and
- (b) the transfer, licensing or sharing of ownership, use, exploitation, commercialisation and management of all Programme Assets, including Real Estate and equipment.

11.2 The Research Body and Principal Investigator shall jointly and severally ensure that they, or one of them shall notify the Foundation of the following matters:

- (a) the achievement or occurrence of any milestone in the Research Programme identified in the Application or any agreed modifications thereto;
- (b) the conception or creation of any Subject Invention by any member of the Research Team in the course of their employment in the Research Programme or deriving directly or indirectly from the use or access to the knowledge of the Research Programme of which the Principal Investigator is or ought to have been aware;
- (c) any proposed change in the phenomenon or phenomena under study or the objectives of the programme stated in the Application or any agreed modification thereto;
- (d) any significant problems relating to the administrative or financial aspects of the Research Programme; or
- (e) if the Principal Investigator or any other member of the Research Team intends:
 - (i) to devote substantially less effort to the work anticipated in the Application;
 - (ii) to sever his or their connection with the Research Body;
 - (iii) to be absent for a continuous period of three months or more; or
 - (iv) to otherwise relinquish active direction of the Research Programme;
- (f) the accrual of any income to the Research Programme;

- (g) any change in the auditors of the Research Body and the names of any auditors appointed in their place;
- (h) if there are reasonable grounds for believing there has been or shall be a breach of the Grant Conditions;
- (i) if there are reasonable grounds for believing there has been or shall be an act of Scientific Misconduct;
- (j) if there are reasonable grounds for the Foundation to suspend, reduce, terminate or revoke the Research Grant;
- (k) of the occurrence of any event which is or provides reasonable grounds for believing that any Intellectual Property Rights have been or are likely to be infringed; or
- (l) of the occurrence of any event which has had or may have a material adverse effect on the Research Programme.

12. **Publication**

12.1 The Research Body and the Principal Investigator shall disseminate, as widely as reasonably practicable and in accordance with the Intellectual Property Guidelines, the products and results of the Research Programme in internationally peer-reviewed publications and the scientific press, and where appropriate, among the general public, except where such dissemination could undermine the Intellectual Property or other rights and entitlements of the Research Body or the Principal Investigator.

12.2 The Research Body and the Principal Investigator shall promote the reputation and standing of the Foundation in the conduct and administration of the Research Programme. In particular the Research Body shall ensure that:

- (a) an acknowledgement of the Foundation's support is made in any publication (including the World Wide Web pages) of any material based or developed under this Research Programme, in the following terms:

“This material is based upon works supported by the Science Foundation Ireland under Grant No. [Foundation Grant No.]”

- (b) the support of the Foundation is acknowledged in all news media, interviews, including popular media, such as, radio, television and news magazines;
- (c) every publication of material (including World Wide Web pages) based on or developed on the Research Grant, except scientific articles or papers appearing in scientific, technical or professional journals contains the following disclaimer:

“The opinions, findings and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the Science Foundation Ireland.”

- (d) every publication of material based on or developed under the Research Grant is clearly labelled with the Research Grant number and that other appropriate identifying information is available to the authorised representative of the Foundation on request and is listed on the web page of the Principal Investigator and/or the Research Body; and
- (e) in any communications, including media appearances and releases, as well as journals and conferences concerning the Research Programme, acknowledgements shall mention the form of the Foundation's support and shall publish the logo of the Foundation in accordance with the Foundation guidelines wherever journal or other media rules permit.

13. **Intellectual Property**

- 13.1 The Foundation wishes to promote and encourage the development, use and commercialisation of Intellectual Property for the benefit of the Irish people. The Foundation subscribes to the framework and process in the Intellectual Property Guidelines to ensure transparent and consistent procedures for managing Intellectual Property from publicly funded research.
- 13.2 Subject to Clause 23 (Conflicts), the Research Body and the Principal Investigator shall ensure that the relevant provisions of the Intellectual Property Guidelines are complied with and in particular shall ensure that:
 - (a) Intellectual Property produced by a Research Programme, where commercially appropriate, is exploited and commercialised;
 - (b) whenever possible, Intellectual Property shall be managed for the benefit of enterprise development in Ireland; and
 - (c) where an industrial partner is involved, the Research Body and the industrial partner have entered into an Intellectual Property agreement which complies in all respects with the Grant Conditions.
- 13.3 The Research Body shall ensure that as a result of commercialisation, attractive incentives and financial returns are provided to the Principal Investigator and the Research Team.

Documents Required by the Foundation Prior to Grant Agreement

- 13.4 Prior to entering into a grant agreement with the Foundation, and as a pre-condition to the Foundation being contractually bound hereunder, the Principal Investigator and the Research Body shall submit to the Foundation such documents (in the form and/or with such content) as may be required under the Intellectual Property Guidelines.

Ownership of Intellectual Property

- 13.5 Ownership of Intellectual Property resulting from a Research Programme shall be governed by the Intellectual Property Guidelines. Without prejudice to the terms of the Intellectual Property Guidelines, Intellectual Property may be solely owned by one party or jointly owned by two or more parties, depending on whether the Research Programme is a sponsored or collaborative programme. Other factors which may be

relevant in determining Intellectual Property ownership include whether the Research Programme is: (i) partly or fully funded by public sources only; (ii) jointly funded by public and private sources; or (iii) fully funded by private sources.

Royalties

- 13.6 Any royalties, equity participation or other returns arising as a result of the exploitation, commercialisation and management of Intellectual Property produced under the Research Programme shall be managed in accordance with the Intellectual Property Guidelines.

Copyright

- 13.7 Ownership of copyright in respect of all Subject Writings shall be governed by the Intellectual Property Guidelines.

14. Payment

- 14.1 The Foundation shall pay the Research Grant in the sum indicated in the Letter of Offer at the times and in the manner set out in the Letter of Offer or in the Budget as agreed with the Foundation subject to the observance and performance by the Research Body and the Principal Investigator of the Grant Conditions.

- 14.2 Claims for the payment of Research Grant shall confirm cumulative actual expenditure since the last payment of any instalment of the Research Grant, together with the estimated expenditure for the payment in respect of which payment is sought.

- 14.3 If the costs incurred by the Research Body in carrying out the Research Programme amount to less than the maximum grant approved, the Foundation shall be obliged to pay only such amount as may be necessary to discharge the actual costs, and if the costs incurred by the Research Body exceed the amount of the maximum grant approved, such excess shall be borne by the Research Body.

15. Audit/record retention

- 15.1 The Research Body and the Principal Investigator shall retain all appropriate financial, statistical, administrative, scientific and all other relevant supporting papers, statistical records and other records in both hard and electronic form in relation to the Research Programme, the Research Grant and the Intellectual Property, and shall make all such records and papers available to the Foundation or its authorised representatives upon reasonable notice for the duration of the Research Programme and for a period of seven (7) years following submission of the Final Scientific Report or for such longer period as the Foundation may request.

- 15.2 The financial information referred to clause 15.1 shall include, without limitation, such information, data, ledgers, bank statements, accounts, authorities, directions and instructions to its auditors, accountants, banks and other servants or agents, and any other papers which may be reasonably necessary to enable the Foundation to exercise its rights of audit and to satisfy itself that the Research Body has complied with the Grant Conditions

16. Site Visits

16.1 The Foundation, or any authorised representative which the Foundation may in its absolute discretion think fit, has the right, at all reasonable times, to make site visits to review Research Programme accomplishments and management control systems. If any site visit is made by the Foundation on the premises of the Research Body, or other premises where the Research Programme may be conducted, the Research Body shall provide and shall require its servants or agents to provide all reasonable assistance to the Foundation and its authorised representatives in the performance of their duties.

17. **Transfer of Research Grant**

17.1 If a Principal Investigator takes up an appointment at another Research Body, the Research Grant may be transferred provided:

- (a) arrangements satisfactory to the Foundation and the new Research Body are put in place to continue the Research Programme in the new Research Body in a manner in which it was originally approved; and
- (b) the transfer is approved, in writing, by the original Research Body and the Foundation before any such transfer takes place.

18. **No-cost extensions**

18.1 The Foundation may, on request by the Research Body and the Principal Investigator in accordance with Clause 18.2 below, extend the Term of the Research Grant by up to 6 months if additional time is required to ensure adequate completion of the Research Programme within the funds already made available (a “**No-Cost Extension**”).

18.2 Any request for a No-Cost Extension by the Research Body and the Principal Investigator must be made in writing to the relevant programme officer within the Foundation at least 90 days prior to the expiration of the Term. The request must explain the need for the No-Cost Extension and include an estimate of the unobligated funds remaining and a plan for their use. The fact that unobligated funds may remain at the expiration of the Term is not, in itself, sufficient justification for a No-Cost Extension. The plan must adhere to the previously approved objectives of the Research Programme.

18.3 Any No-Cost Extension approved in writing by the Foundation will specify a new expiration date. The Research Body and/or the Principal Investigator shall not make new commitments or incur new expenditures after the original expiration date in anticipation of a No-Cost Extension.

19. **Term and Termination**

19.1 The Research Grant shall commence on the date specified in the Letter of Offer and shall continue for the period specified in the Letter of Offer (the “**Term**”).

19.2 The Research Grant may be, reduced, suspended, terminated or revoked by the Foundation in whole or in part in any of the following circumstances:

- (a) If, in the reasonable opinion of the Foundation, progress is not deemed to be satisfactory;
- (b) when the Research Body has materially failed to comply with the Grant Conditions;
- (c) when the Research Body or the Principal Investigator commits an act of insolvency; or
- (d) when the Principal Investigator
 - (i) is convicted of any criminal offence involving dishonesty;
 - (ii) severs his connection with the Research Body;
 - (iii) in the reasonable opinion of the Foundation, relinquishes active direction of the Research Programme; or
 - (iv) does not initiate the Research Programme actively within 60 days of the effective date specified in the award letter; and
- (e) when the Foundation has other reasonable cause.

19.3 The Research Grant may be reduced, suspended, terminated or revoked by the Research Body in whole or in part in any of the following circumstances:

- (a) on giving 30 days' written notice to the Foundation, setting forth the reasons for such action and, in the case of partial termination, the portion to be terminated or suspended (with the understanding that if the Foundation determines that the unterminated portion will not accomplish the purposes of the Research Grant, it may suspend or terminate the entire Research Grant); or
- (b) on 30 days' notice following receipt of the Foundation's decision in respect of a Notice of Objection or Refusal or notification of rejection by the Foundation of a Research Body Variation Notice both as provided for in clause 24 (Variation).

19.4 Normally, action by the Foundation to reduce, suspend, terminate or revoke a Research Grant will be taken only after the Research Body has been informed by the Foundation of any deficiency on the part of the Research Body or the Principal Investigator and given an opportunity to correct it; but the Foundation may immediately suspend or terminate the Research Grant without notice when it reasonably believes that such action is required to protect the interest of the Foundation, the Research Programme or the Research Grant.

19.5 No costs incurred during the suspension period or after the effective date of the termination will be eligible except in circumstances where no fault attaches to the Research Body and, in the opinion of the Foundation, the Research Body could not reasonably avoid or eliminate such costs, or which were otherwise authorised by the suspension or termination notice, provided such costs would otherwise be eligible under the Grant Conditions.

20. **Effects of termination**

- 20.1 Within 30 days of the termination date, the Research Body shall furnish a report containing such information as would be contained in the Final Report (as detailed in Clause 5.2) together with an itemised accounting of costs incurred prior to the termination date. Final eligible costs under the termination settlement will be in accordance with the Grant Conditions, including this article, giving due consideration to the progress of the Research Programme. In no event will the total of the Research Grant payment under a terminated award exceed the Research Grant amount.
- 20.2 Where the Research Grant is terminated or revoked by the Foundation, the Research Body shall repay to the Foundation such sums as the Foundation may demand in respect of the Research Grant (which sums shall include, without limitation, advance payments in respect of General Overheads but shall not exceed the total amount paid by the Foundation to the Research Body) and, if the Research Grant is reduced, the Research Body shall repay to the Foundation the amount by which the Research Grant has been reduced. In either case, repayment shall be made within 60 days of the date of the notice of termination and in default of payment within 60 days such sums may be recoverable by the Foundation from the Research Body as a simple contract debt and shall carry interest at the rate of 10% per annum accruing from the date on which the relevant sums were originally paid by the Foundation to the Research Body.
- 20.3 The Research Body shall repay to the Foundation within 60 days any part of the Research Grant which remains unspent at the end of the Term

21. **Confidentiality**

- 21.1 In this Clause 21 “**Confidential Information**” means all information disclosed (whether in writing, orally or by another means and whether directly or indirectly and whether specifically designated as ‘confidential’ or which ought reasonably be regarded as confidential) under or in connection with this Agreement by one party (the “**Disclosing Party**”) to the other party (the “**Receiving Party**”) whether before or after the date of this Agreement including, without limitation, information relating to the Disclosing Party's products, services, operations, processes, plans or intentions, product information, know-how, design rights, trade secrets, market opportunities and business affairs.
- 21.2 Subject to the terms of clause 12 (Publication) and Clause 33 (Freedom of Information) during the term of this Agreement and after termination or expiration of this Agreement for any reason the Receiving Party:
- (a) will not use Confidential Information for a purpose other than the performance of its obligations under this Agreement;
 - (b) will not disclose Confidential Information to a person except with the prior written consent of the Disclosing Party other than in accordance with Clauses 21.3 and 21.4; and
 - (c) shall make every effort to prevent the use or disclosure of Confidential Information.

- 21.3 During the term of this Agreement the Receiving Party may disclose Confidential Information to any of its directors, other officers and employees (a “**Recipient**”) to the extent that disclosure is reasonably necessary for the purposes of this Agreement.
- 21.4 Before disclosure to a Recipient, the Receiving Party shall ensure that a Recipient is made aware of and complies with the Receiving Party's obligations of confidentiality under this Agreement as if the Recipient was a party to this Agreement.
- 21.5 The Receiving Party may disclose Confidential Information of the Disclosing Party, whenever reasonably possible on obtaining the prior written consent of the Disclosing Party, if and to the extent that:
- (a) this is required by the law of any relevant jurisdiction (including the Freedom of Information Acts, 1997 and 2003) or pursuant to an order of a court of competent jurisdiction;
 - (b) this is required by any securities exchange or regulatory or governmental body to which that party is subject to, wherever situated, whether or not the requirement for information has the force of law;
 - (c) the information is disclosed on a strictly confidential basis to the professional advisers, auditors and bankers of the Receiving Party;
 - (d) the information has come into the public domain through no fault of the Receiving Party;
 - (e) the information was in the possession of the Receiving Party before such disclosure by the Disclosing Party, as aforesaid;
 - (f) the information was obtained by the Receiving Party from a third party who was free to divulge the same;
 - (g) the Disclosing Party has given prior written approval to the Receiving Party in respect of the disclosure, such approval not to be unreasonably withheld or delayed;
 - (h) this is required to enable that party to enforce its rights or perform its obligations (including the publication obligations in Clause 12) under this Agreement; or
 - (i) it is disclosed to bona fide current and/or potential purchaser, investor and/or lender of the Receiving Party, and any legal and/or professional representatives thereof; provided that such potential purchaser, investor and/or lender shall be subject to a confidentiality agreement (on terms usual to such transactions) covering such Confidential Information.
- 21.6 The Parties acknowledge and agree that in the event of a default in the obligations set out in this Clause 21, damages may not be a sufficient remedy for the Disclosing Party. Accordingly, in addition to other remedies, such Disclosing Party will have the right to seek injunctive relief or specific performance of the other party's obligations. Any such remedy shall not be deemed to be exclusive and shall be in addition to any and all other remedies which may be available to the other party at law or in equity.

21.7 Upon termination or expiry of this Agreement the Receiving Party shall, at the option of the Disclosing Party, either destroy or return to the Disclosing Party all records, documentation or other information and all copies thereof which are held by the Disclosing Party.

21.8 The obligations of each of the Parties as to disclosure and confidentiality shall continue in force notwithstanding the termination of this Agreement.

22. **Entire Agreement**

22.1 Subject to clause 24 (Variation), the Grant Conditions contain the entire of the terms and conditions applicable to the payment of the Research Grant and supersede and replace any prior written or oral agreements, representations or understandings between the Parties.

23. **Conflicts**

23.1 In the event of a conflict or inconsistency between any provisions of the General Terms and Conditions, the Application, the Letter of Offer and/or the Intellectual Property Guidelines, such conflict or inconsistency shall be resolved by giving the following precedence:

- (a) Letter of Offer;
- (b) Budget;
- (c) General Terms and Conditions;
- (d) Intellectual Property Guidelines; and
- (e) the Application.

24. **Variation**

24.1 The Foundation shall be entitled at any time on written notice to the Research Body ("**Variation Notice**") to vary the terms of the Grant Conditions. Any Variation Notice shall provide full details of the variation including the date on which it becomes operative and the reasons for the change. Notwithstanding the remaining provisions of this Clause 24, a Variation Notice shall become effective on the operative date specified therein.

24.2 The Research Body may within 30 days of receipt of a Variation Notice issue a Notice of Objection or Refusal to the Foundation setting out the reasons for such objection or refusal and the direct consequences (including breach of any contract directly related to the Research Programme between the Research Body and a third party) that shall flow from the variation. The Foundation shall give reasonable consideration to such Notice of Objection or Refusal and within a reasonable period following receipt of a Notice of Objection or Refusal, the Foundation shall (subject to Clause 24.3) be entitled at its discretion to:

- (a) withdraw the Variation Notice in which case the Grant Conditions shall continue in force unchanged;
 - (b) issue a revised Variation Notice having regard to the reasons given for any refusal or objection (in which event, the provisions of clause 24.2 shall apply once again); or
 - (c) issue a notice of reduction, suspension, termination or revocation pursuant to clause 19 (Term and Termination).
- 24.3 Where the Notice of Objection or Refusal states that the variation specified in the Notice of Variation would, if implemented, cause the Research Body to be in material breach of a contract directly related to the Research Programme then the Foundation shall acting reasonably and in good faith further consult the Research Body and shall give reasonable consideration to the matters raised by the Research Body.
- 24.4 The Research Body shall be entitled to request a variation of the Grant Conditions at any time on written notice to the Foundation containing full details of the proposed variation and reasons for the change (“**Research Body Variation Notice**”). The Foundation shall give reasonable consideration to the Research Body Variation Notice and shall within not more than 30 days either:
- (a) accept the proposed variation in which case the Grant Conditions shall be amended accordingly; or
 - (b) reject the proposed variation in which case the Grant Conditions shall continue in force unchanged.
- 24.5 No variation of the Grant Conditions shall give rise to any requirement for repayment by the Research Body of the whole or any part of a Research Grant paid to it prior to the date of the Variation Notice.

25. **Assignment**

- 25.1 The Research Grant is made personally to the Research Body and the Research Body shall not, without the written agreement of the Foundation, assign, transfer, sub-contract or in any other manner make over to any third party the benefit and/or burden of the Research Grant.

26. **Dispute Resolution**

- 26.1 The Parties will use their best efforts to negotiate in good faith and settle any dispute that may arise out of or relate to the Research Grant, the Grant Conditions or any breach of them. If any such dispute cannot be settled amicably through ordinary negotiations by the authorised representative of the Parties, the dispute shall be referred to the Vice President/Dean of the Research Body and the Chief Operations Officer of the Foundation, who will meet in good faith to try and resolve the dispute. If the dispute or difference is not resolved as a result of such meeting, the following procedure shall apply before resorting to litigation:

- (a) where the Parties agree that a matter is of a technical nature, it may be referred to a technical expert (the “Expert”) to be appointed by agreement between the parties. Such Expert shall act as an expert and not as an arbitrator; or
- (b) where the dispute is of a non-technical nature or the Parties cannot agree as to whether or not the dispute is of a technical nature, or where the parties cannot agree on the appointment of the Expert, the matter may be referred to mediation. The mediator shall be appointed by agreement between the Parties or, in default of agreement, the matter shall be referred to the International Centre for Dispute Resolution for appointment of a mediator. Each party shall bear its own costs in connection with the mediation and the costs of the mediator shall be borne equally between the Parties.

26.2 Nothing contained in this clause 26 shall restrict the Party’s freedom to commence legal proceedings to preserve any legal right or remedy or protect any Intellectual Property Rights.

27. Force Majeure

No Party shall be in breach of this Agreement if there is any total or partial failure of performance by it of its duties and obligations under this Agreement occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, prevention from or hindrance in obtaining any raw materials, energy or other supplies, labour disputes of whatever nature and any other reason, beyond the control of any other Party. If a Party is unable to perform its duties and obligations under the Grant Conditions as a direct result of the effect of one of those reasons that Party shall give written notice to the others of the inability, stating the reason in question. The operation of the Research Grant shall be suspended during the period (and only during the period) in which the reason continues. Forthwith, upon the reason ceasing to exist, the Party relying upon it shall give written advice to the others of this fact. If the reason continues for a period of more than 10 working days, the Party not claiming relief under this clause 27 shall have the right to terminate the Grant Conditions forthwith upon giving written notice of such termination to the other Parties.

28. Severability

If any provision or term of the Grant Conditions or any part thereof shall become or be declared illegal invalid or unenforceable for any reason whatsoever, including but without limitation by reason of the provisions of any legislation or other provisions having the force of law, or by reason of any decision of any Court or other body or authority having jurisdiction over the Parties, including the EU Commission and the European Court of Justice, such terms or provisions shall be severable from the Grant Conditions and shall be deemed to be deleted therefrom, provided always that if any such deletion substantially affects or alters the basis of the Research Grant, the Parties shall negotiate in good faith to amend and modify the provisions and terms of the Research Grant as may be necessary or desirable in the circumstances.

29. Nature of Relationship

- 29.1 Nothing in the Grant Conditions shall constitute a partnership or joint venture or establish a relationship of agency between the Parties hereto, nor shall the Research Grant, or the operation thereof or the provision of any services by the Foundation, the Principal Investigator, the Research Team or the Research Body be construed as evidence of any contract of employment between the Foundation and any member of the Research Team or any servant or agent of the Research Body, which is expressly denied.
- 29.2 Neither the Principal Investigator nor any member of the Research Team, nor any servant or agent of the Research Body shall be, nor in any way represent himself to be an agent of the Foundation, and none of them shall have any authority to enter into any obligation on behalf of the Foundation or to bind the Foundation in any way, which is expressly denied.

30. **Waiver**

No failure or delay on the part of any Party having an interest in the Research Grant to exercise any right or remedy under the Grant Conditions shall be construed or operated as a waiver thereof, nor shall any single or partial exercise of any right or remedy as the case may be. The rights and remedies provided in the Grant Conditions are cumulative and are not exclusive of any rights or remedies provided by law.

31. **Notices**

31.1 Any notice or other document to be given under the Grant Conditions shall be in writing and shall be deemed to have been duly given if delivered by hand or sent by:

- (a) first-class post or express or air mail or other fast postal service;
- (b) registered post; telex or facsimile; or
- (c) e-mail

to the correct address, e-mail address, telex or facsimile number (as may be amended from time to time by notice in writing to the other party) of the party to whom it is being sent.

31.2 Any notice or other document shall be deemed to have been received by the addressee as follows:

Means of Dispatch Deemed Received

Delivery by hand: the day of delivery;

Post: 2 Business Days after posting;

Telex/Facsimile when sender receives a completed transmission sheet or otherwise receives a mechanical confirmation of transmission; and

