

General terms and conditions of research and service contracts, LAB University of Applied Sciences

1. SCOPE OF, PARTIES TO AND CONCLUSION OF THE CONTRACT

- 1.1. These general terms and conditions apply to paid research and services by the LAB University of Applied Sciences, where the Contracting parties are the LAB University of Applied Sciences (hereinafter LAB) and the party that commissioned work from LAB (hereinafter Client).
- 1.2. The content and timetable of the commissioned work, the price and payment schedule as well as other possible contract-specific terms will be agreed on in a separate contract which, together with these general terms and conditions, compose the contract between the Client and LAB.
- 1.3. The contract can be deemed effective
 - a) when LAB and the Client have signed the specific contract or
 - b) when LAB has received a written notification from the Client on the acceptance of LAB's tender or
 - c) when LAB has confirmed the order in writing upon the Client's request.
- 1.4. LAB's written tender shall remain in force for one month from the date of its issue unless otherwise specified in the tender.
- 1.5. The contract will cease to be valid when the commissioned work ends. However, unless otherwise separately agreed in writing, the contract may remain in force for up to three years from its latest signature.
- 1.6. The contract or obligations under it cannot be transferred to a third party without the written consent of the other Contracting party.

2. PRIORITY OF INTERPRETATION

- 2.1. Possible conflicts between the contract and the documents attached to it shall be resolved by giving precedence to the documents in the following order: first, the contract, second, the plan, and third, the general terms and conditions.
- 2.2. In the situations referred to in sections 1.3b and 1.3c of these general terms and conditions, the priority of interpretation is the following:
 - 1) notice of acceptance of the tender or order confirmation
 - 2) LAB's general contractual terms and conditions
 - 3) tender.

3. BASIS FOR CHARGES AND INVOICING

- 3.1. The invoicing and payment schedule for the commissioned work have been agreed on in the contract.
- 3.2. If a mutual decision is made to change the scope or quality of the work referred to in the contract, the expenses and fees of the work will be revised accordingly.
- 3.3. All charges shall be paid within 14 days of the date of the invoice. Interest for late payments shall be charged

in accordance with the Interest Act. Possible collection charges shall be invoiced separately.

- 3.4. Value-added tax shall be added to fees and charges in accordance with the legislation in force.

4. ASSETS ACQUIRED WITH RESEARCH FUNDING

- 4.1. The ownership of all hardware, software, literature, other research instruments and prototypes which have been acquired by LAB with research funding belongs to LAB unless otherwise agreed.

5. PROPRIETARY RIGHTS AND PROTECTION OF RESEARCH RESULTS

- 5.1. In these general terms and conditions, research results refer to new knowledge and material generated as a result of the research and intellectual property rights related to them.
- 5.2. The results of the research and services belong to the Client after it has paid the fees and expenses of the commission in full. The Client decides on the patenting and other protection of the results. In addition, the Client is responsible for paying compensation to the inventors in accordance with the Client's own practices. However, inventors employed by LAB shall be paid no less than the compensation in accordance with LAB's invention guidelines in force. The invention compensation and the applicable value added tax shall be paid to LAB, which is responsible for delivering the payment to said employees.
- 5.3. The background material related to the commissioned work shall remain in the sole possession of the Contracting party that introduced it to the commission. Both Contracting parties shall give the other a free-of-charge, non-exclusive right to use the background material to carry out tasks in accordance with the commission contract, but for no other purpose.

6. RIGHT TO USE THE RESULTS

- 6.1. LAB has permanent, non-exclusive, free-of-charge rights to use the results of the commissioned work for research and education. Non-disclosure obligations must be taken into consideration in the utilisation of user rights.
- 6.2. LAB and its staff members who were involved in the research and development shall have the right to use the professional skills and experience they acquired in connection with the commissioned work also in other activity than that referred to in the contract.

7. NON-DISCLOSURE OF RESULTS AND BACKGROUND MATERIAL

- 7.1. The Contracting parties shall not disclose to third parties any confidential information or documents obtained during research and service provision. The Client is obligated to specify which disclosed information it wishes to be handled as confidential.

8. PUBLICATION OF RESULTS

- 8.1. LAB has the right to publish results of the research and service activities unless otherwise agreed regarding the research and service activities or parts thereof.
- 8.2. LAB's final theses are public documents. Consequently, confidential material cannot be included in the thesis text. If necessary, the content of the final thesis must be agreed in advance with the supervising instructor.

9. DELIVERY OF RESULTS AND RETURNING OF MATERIAL

- 9.1. Reports, studies and other results which have been elaborated in accordance with the contract and the delivery of which has been agreed on in the contract shall be delivered to the Client after the contractual payment instalments have been made.
- 9.2. LAB shall return to the Client the material received for the purpose of providing the service only if so agreed. LAB has a right to dispose of material that it will not return.

10. STATUS OF CONTRACTING PARTIES

- 10.1. The Client supplies free of charge the information, equipment and other resources that LAB needs for the research or service and that have been separately set out in the contract.
- 10.2. The Contracting parties shall notify each other without delay of any matters that may endanger the completion of the research or service or lead to unnecessary expenses.
- 10.3. LAB has a right to use subcontractors if there is no justified reason preventing it. The Client is entitled to approve the subcontractors in advance.
- 10.4. The use of LAB's name or other emblem for commercial purposes is not permitted without express prior consent in writing. Consent may be given by the president of the university of applied sciences or a person assigned by the president. LAB shall have the right to use the Client's name and information on the title of the commissioned work as a reference. LAB reserves the right to be mentioned as the service provider when information about the research or service and its results is communicated, unless otherwise agreed.

11. LAB'S LIABILITIES

- 11.1. LAB is responsible for carrying out the research or service in accordance with the contract. LAB is responsible for its subcontractors' work as if it were LAB's own and for including all obligations concerning non-disclosure and of the transfer of rights that apply to LAB in the subcontracting agreements.
- 11.2. The Contracting parties affirm that they are aware of the technical and other risks related to research and service activities and therefore consciously accept these uncertainties as part of the activities.
- 11.3. When delivering the right to use the background material and/or results or test devices related to the contract or their equivalent, the Contracting parties aim for them to be as flawless as possible. However, the transferring party is not liable to give any warranties to the recipient party, and the use of the disclosed results is at the sole responsibility of the recipient.
- 11.4. LAB's financial responsibility is in all cases limited to no more than the amount paid by the Client to LAB under the contract.
- 11.5. LAB is not liable for indirect damages. LAB is not liable for damages to a tested object during technical testing related to the research.

12. LIABILITY FOR RISK

- 12.1. The Client is responsible for equipment it gives to LAB for the duration of the research/service.
- 12.2. The liability for risk related to the results is transferred to the Client when the results are delivered. If the delivery is delayed through fault of the Client, the liability for risk is transferred when the delivery should have taken place at the latest in accordance with the contract.

13. FORCE MAJEURE

- 13.1. A force majeure is an event that prevents the performance of the service or renders it unreasonably difficult by the due date. Such events include wars, revolts, natural catastrophes, general interruptions in the distribution of energy, fires, strikes, embargoes, significant restrictions imposed on the university of applied sciences' activities by the Ministry of Education or other equally significant and extraordinary reasons beyond the control of the Contracting party.
- 13.2. A delay in subcontractor services due to the aforementioned reasons is also considered a force majeure.
- 13.3. Neither Contracting party is responsible to the other party for force majeure damages or delays. Both parties shall inform each other of any force majeure cases without delay in writing.

14. ANNULMENT OF THE CONTRACT

- 14.1. Both Contracting parties have the right to annul the contract if its completion becomes impossible or is delayed significantly because of a force majeure or its continuation.
- 14.2. The Contracting parties have a right to annul the contract if the other Contracting party clearly violates the terms and conditions of the contract. A notice of the annulment shall be issued to the other Contracting party without delay and in writing.
- 14.3. LAB also has the right to annul the contract if the Client appears to be becoming insolvent or is entering into liquidation, loan arrangement, reorganisation proceedings or bankruptcy.
- 14.4. LAB also has, instead of annulling the contract, the right to interrupt the work temporarily in order to establish whether or not a violation of the contract will lead to the annulment of the contract.
- 14.5. If the contract is annulled, the Client will pay for the part of the research and services performed acceptably until the annulment date in accordance with the contract, or if an agreement is reached on continuing the work after the date of annulment, until the work has been terminated.
- 14.6. If the annulment of the contract is caused by the Client or by some other reason for which the Client is responsible, LAB has the right to compensation for the expenses, financial losses and immediate damages incurred as a result of the dissolution of the contract.

15. SETTLEMENT OF DISPUTES

- 15.1. Finnish legislation shall be applied in the interpretation of the contract. Disputes which arise from the contract and which cannot be settled through negotiation shall be settled in the South Karelia District Court unless otherwise agreed.