AFBs of 01.01.2025

General Funding Conditions for the Funding of Christian Doppler Laboratories and Josef Ressel Centres (AFBs - Allgemeine Förderungsbedingungen)

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Disclaimer

Every effort has been made to ensure the accuracy of this translation. Nevertheless, the Christian Doppler Research Association cannot assume responsibility for any errors that may inadvertently have occurred. In the event of any discrepancy, the German version is to be taken as valid.

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Glossary

Host institution of Christian Doppler Laboratories and Josef Ressel Centres

Universities, universities of applied sciences or non-university research institutions that receive funding from the CDG for the hosting of a CD laboratory or a JR centre.

See also "Funding recipients" and "Scientific partners"

Inventions

European Patent Convention (EPC): According to Article 52 of the EPC, European patents can be granted for inventions that are new, involve an inventive step and may give rise to industrial application. An invention must therefore fulfil three main criteria:

1. **Novelty:** The invention must not form part of the state of the art, i.e. it must not have been publicly available before the filing date.
2. **Inventive step:** An invention will be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art.
3. **Industrial applicability:** An invention will be considered as able to give rise to an industrial application, including agriculture.

See also "Protectable results"

Third-party companies within the scope of material transfer agreements

Third-party companies are companies that do not participate in a CD Laboratory or JR Centre as commercial partners or corporate cooperation partners but provide materials necessary for the research work and with whom Material Transfer Agreements are concluded.

Funding recipients

Universities, universities of applied sciences and non-university research institutions that receive funding from the CDG to host a CD Laboratory or a JR Centre or through participation in an active CD Laboratory or JR Centre in the form of an External or International module.

See also "Scientific partners" and "Host institution"

Research units

CD Laboratories or JR Centres are also referred to as research units.

Research results (Definitions according to the Frascati Manual of the OECD)[1]

Basic research
Basic research is experimental or theoretical work that is primarily aimed at acquiring new knowledge on the fundamental causes of phenomena and observable facts without having specific applications or uses in mind. Such research serves to understand the fundamental principles and mechanisms and contributes to the expansion of scientific knowledge.

Application-orientated basic research (also referred to as “oriented basic research”)
Application-oriented basic research is a form of basic research that, while primarily aimed at expanding scientific knowledge, has specific practical applications or uses in mind. This type of research attempts to bridge the gap between purely theoretical research and practical applications by developing fundamental scientific knowledge towards potential applications.

Applied research
Applied research is an original investigation to gain new knowledge. However, it is primarily focussed on a specific, practical aim or purpose. This type of research aims to utilise the knowledge that is acquired to develop new applications, processes or technologies and to solve practical problems.

Research results
According to the Frascati Manual, research results therefore include all new findings and developments that result from creative and systematic work, be it to expand the body of knowledge (basic research), to bridge theory and practice (application-oriented basic research) or to solve practical problems (applied research) (OECD, 2018)[1].

Federal Ministry responsible for economic affairs
This is the federal ministry responsible for economic affairs. Its precise designation may change.

Protectable results
Protectable results are results that can be granted legal protection through intellectual property rights (IPR). Protection for protectable results includes

1. protection for technical inventions that are new, inventive and industrially applicable (patents).
2. similar to patents but often with lower requirements for inventive step and a shorter term of protection (industrial design).
3. protection for signs that are suitable for distinguishing the goods or services of one company from those of other companies (trade marks).

[1] OECD (2018), Frascati Manual 2015: *Guidelines for collecting and reporting data on research and experimental development*, OECD Publishing, Paris, https://doi.org/10.1787/9789264239012-en.

4. protection for the external appearance of a product or part thereof that is new and unique (designs).
5. protection for literary, scientific and artistic works, including software and databases (copyrights).
6. protection for products whose quality or reputation is essentially linked to their geographical origin (geographical indications and designations of origin).

See also "Inventions"

Commercial partner

CDG member companies that maintain concrete research collaborations with one or more CD Laboratories or JR Centres, which are described in research, time and cost plans (they participate in a CD Laboratory or JR Centre).
See also "Corporate cooperation partners"

Corporate cooperation partner

CDG member companies that maintain concrete research collaborations with one or more CD Laboratories or JR Centres, which are described in research, time and cost plans (they participate in a CD Laboratory or JR Centre).
See also "Commercial partners"

Scientific partners

Scientific partners *in the close sense*
Universities, universities of applied sciences or non-university research institutions that receive funding from the CDG for the operation of a CD Laboratory or a JR Centre or through participation in an active CD Laboratory or JR Centre in the form of an External or International module.
See also "Host institution" and "Funding recipients"

Scientific partnerships *in the broad sense* with researchers or research groups at Austrian or foreign universities or research institutions, as are typical for research projects, are to be distinguished from these and remain unaffected.

Preamble

The Christian Doppler Research Association (CDG) sees itself as a pioneer of co-operation between science and industry. Since 1995, the CDG has been operating at the interface between companies and universities and non-university research institutions, whereby its organizational form as an association guarantees a great deal of creative freedom and flexibility.
The non-profit organization aims exclusively and directly to promote innovative scientific research, particularly in the fields of natural sciences, technology, medicine and life sciences, as well as in economics and its social impact.

The CDG as a central research funding institution of the Austrian government

To strengthen Austria's research and innovation power, the federal government finances funding programmes that address topics expected to become important in the future and that combine technological, economic and socio-political objectives. As a central research funding institution of the Austrian government (§ 3 para. 2 no. 2 FoFinaG), the CDG supports the establishment and operation of Christian Doppler Laboratories (CD Laboratories) at universities and non-university research institutions and Josef Ressel Centres (JR Centres) at universities of applied sciences. The research units are headed by selected, excellent scientists and represent the operational units of the public-private partnership model. The central questions addressed in these research units for several years in a manner oriented at basic research come from the companies, which contribute about 50% of the costs of the research units.
The decades of growth and the consistency of the framework conditions of the two funding programmes ("Christian Doppler Laboratories" and "Josef Ressel Centres"), which have been repeatedly adapted to requirements but have remained unchanged in their basic concept, have created great trust both in the scientific community and in the corporate sector. The CDG's funding programmes are thus widely known and highly attractive to scientists and companies.

Special CDG programmes

In addition, the CDG supports research projects by means of specific, usually time-limited funding programmes, financed from the CDG's reserves or by public funding bodies such as the Austrian Future Fund of the National Foundation for Research, Technology and Development. The specific funding conditions for these programmes are defined in the calls for applications.

1. Object of funding

The object of funding is the promotion of research projects

- particularly in application-oriented basic research[2] in the form of Christian Doppler Laboratories (CD Laboratories) or in application-oriented research in the form of Josef Ressel Centres (JR Centres),
- with precisely described scientific questions and methods,
- that are limited in time,
- that represent collaboration projects between companies and research institutions in the sense of the Union framework for State aid for research, development and innovation (2014/C 198/01).

The AFBs form an integral part of the host agreements (in accordance with Point 7.1) for specific CD Laboratories and JR Centres.

2. Partners involved

The Federal Ministry responsible for economic affairs and the National Foundation for Research, Technology and Development act as public funding providers; the Christian Doppler Research Association (hereinafter referred to as the CDG) acts as a funding institution; universities, universities of applied sciences and non-university research institutions are funding recipients or scientific partners and host institutions of the CD Laboratories or JR Centres; and the companies are private funding providers and cooperation partners.

2.1. Funding recipients

Funding recipients are higher education research institutions (public or private universities, universities of applied sciences) or non-university research institutions.
The funding recipients are also the "scientific partners" in the close sense in CD Laboratories and JR Centres as well as the host institutions of the CD Laboratories and JR Centres. Scientific partnerships in the broad sense with researchers or research groups at Austrian or foreign universities or research institutions, as are typical for research projects, are to be distinguished from these and remain unaffected.

2.2. Research collaborations

CDG member companies maintain specific research collaborations in one or more CD Laboratories or JR Centres with the scientific partners in the close sense (Point 2.1), which are described in research, time and cost plans. The term "participation" of a company in a CD Laboratory or JR Centre is used synonymously, and the companies are referred to as commercial partners or corporate cooperation

[2] "Oriented basic research is carried out with the expectation that it will produce a broad base of knowledge likely to form the basis of the solution to recognised or expected current or future problems or possibilities." OECD (2018), Frascati Manual 2015: Guidelines for the collection and reporting of data on research and experimental development, measurement of scientific, technological and innovation activities, OECD Publishing, Paris. https://doi.org/10.1787/9789264239012-en

partners. Insofar as the AFBs foresee obligations of commercial partners towards the funding recipient, the CDG undertakes to provide corresponding internal regulations or agreements with the commercial partners to fulfil the obligations.

3. Coming into effect

The AFBs will come into effect on 1 January 2025.

The AFBs will also become an integral part of the Concrete Host Agreements in place at this time by means of an amendment to the contracts with the funding recipients. The previous General Host Agreements will expire on 31 December 2024.

In the event of discrepancies with existing Concrete Host Agreements of CD Laboratories or JR Centres, the provisions of the AFBs will take precedence.

For all CD Laboratories or JR Centres in operation on 1 January 2025 for which a contract amendment has been concluded, and for all CD Laboratories and JR Centres established from this date, the current version of the AFBs applies. For all CD Laboratories and JR Centres established from 01.01.2025, the funding agreement will be known as the "Host Agreement" (previously the "Concrete Host Agreement").

For CD Laboratories and JR Centres in operation on 01.01.2025 for which no contract amendment has been concluded, the latest version of the General Host Agreement will apply until the end of the contract phase that is operational on 01.01.2025.

4. Legal basis[3]

4.1. Establishment of CD Laboratories and JR Centres

The establishment of CD Laboratories and JR Centres is funded by the CDG in conjunction with public funding from the federal government (Federal Ministry responsible for economic affairs or the National Foundation for Research, Technology and Development).

4.2. Legal basis

The agreement is also based on the following legal basis, in particular:

- Union framework for State aid for research, development and innovation (2014/C 198/01 of 27 June 2014) for specific parts of RTI funding, such as for eligible costs or for the distinction between economic and non-economic activities of research institutions or corresponding successor regulation

in the current version.

[3] References to laws refer to Austrian laws unless otherwise stated.

4.3. Legal basis of the funding recipients

The laws issued for the funding recipients apply, in particular:

- University of Applied Sciences Studies Act (FHStG)
- Universities Act (UG 2002), whereby the establishment of CD Laboratories at universities constitutes funding in the sense of § 27 para. 1 no. 2 UG
- Private University Act § 6

in the current versions.

4.4. Funding from the Federal Ministry responsible for economic affairs

In the event of funding from the Federal Ministry responsible for economic affairs, the following legal basis also applies:

- Research and Technology Promotion Act (FTFG)
- Research Financing Act (FoFinaG)
- the financing agreements concluded between the CDG and the federal government for three years at a time, on the basis of the FoFinaG
- the Directive pursuant to § 15 in conjunction with § 12a FTFG (2024) for the programme to promote the establishment and operation of Christian Doppler Laboratories (ref. 2024-0.243.359) and for the programme to promote the establishment and operation of Josef Ressel Centres (ref. 2024-0.243.349)

in the current versions.

4.5. Funding from the National Foundation for Research, Technology and Development

In the event of funding by the National Foundation for Research, Technology and Development), the following legal basis applies in addition to Points 4.1 to 4.3:

- the RTD National Foundation Act in the current version.

4.6. Further regulations

The regulations of the specific funding programmes must also be observed, in particular:

- Evaluation handbook for supporting the establishment and operation of Christian Doppler Laboratories and Josef Ressel Centres
- Handbook for the operation of a Christian Doppler Laboratory and a Josef Ressel Centre

in their current versions.

5. Projects eligible for funding/ scope

5.1. Projects

The AFBs apply to individual contracts for the following projects:

5.1.1. Christian Doppler Laboratories (CD Laboratories) and Josef Ressel Centres (JR Centres)

CD Laboratories and JR Centres are the regular type of individual projects funded. They are the operational research units for achieving the objectives of the funding programmes. CD Laboratories are established at Austrian universities or non-university research institutions, JR Centres at Austrian universities of applied sciences. The hosts of JR Centres are universities of applied sciences that are experienced in R&D and technically and organizationally capable of implementing a multi-year research programme with companies. Austrian and non-Austrian companies alike may be corporate cooperation partners.

The Head of the CD Laboratory/JR Centre must have a valid contract of employment with the funding recipient at the start of operation of the research unit[4] . The corresponding personnel costs are not eligible for funding (for exceptions see Points 5.1.6.2 and 11.4.2). To ensure the independence of the cooperation partners in the CD Laboratory or JR Centre from one other, the Head of Laboratory or Head of Centre may not have even a partial employment at the commercial partner or any other significant influence on the partner's management. Further details will be determined by the CDG Executive Board.
The organizational structure of a CD Laboratory or JR Centre is open to the extent that the expansion of the research programme, the addition of new commercial partners or the integration of further research institutions in the research cooperation should be possible at any time.

5.1.2. Christian Doppler Pilot Laboratories (CD Pilot Laboratories)

CD Pilot Laboratories are a special form of the introductory phase of CD Laboratories. An application for establishment of a (regular) CD Laboratory may be approved in this manner if the primary argument against the establishment of a regular CD Laboratory is that the topic is associated with a high degree of risk and/or the Head of Laboratory has not (yet) shown him- or herself to be appropriate to lead the Laboratory but it cannot be certain that she or he would not represent a suitable Head of Laboratory. In any event, both the scientific value of the research and the potential economic interest in research in the area must be sufficient to justify the establishment of a CD Laboratory.

[4] The funding recipient guarantees the employment of the Head of the CD Laboratory/JR Centre for the entire duration of the grant or seriously intends to do so. The salary of the Head of the CD Laboratory/JR Centre will be financed from the global budget of the funding recipient.

After the introductory phase it is possible to convert the Pilot Laboratory to a regular CD Laboratory in the first phase of extension. CD Pilot Laboratories are more intensely supervised by the CDG. Generally, the interim evaluation takes place at an earlier date and pays particular attention to the special requirements (and, where applicable, conditions). The evaluation should resolve the issue of whether conversion to a regular CD Laboratory is possible and/or desirable.
In the following, a distinction is only made between CD Laboratories and CD Pilot Laboratories when there are separate regulations for CD Pilot Laboratories.

5.1.3. International Christian Doppler Laboratories (located outside Austria)

CD Laboratories can also be established at non-Austrian universities/research institutions (funding recipients) under the conditions set out in Point 4.3 of the Programme Directive[5].

5.1.4. External Module of a CD (pilot) Laboratory or JR Centre established at another Austrian university of applied sciences, university or research institution

CD Laboratories and JR Centres have the option of establishing an External Module at a university of applied sciences, university or non-university research institution within Austria other than the one at which the CD Laboratory or JR Centre is hosted. A separate Head of Module must be appointed at the other research location. The period of operation of an External Module may not extend beyond the end of the CD Laboratory or JR Centre. The Module is subject to the Directives of the respective funding programme. For example, the Programme Directive for CD Laboratories applies to an External Module that is established at a university of applied sciences but is part of a CD Laboratory.

5.1.5. International Modules of a CD (Pilot) Laboratory or JR Centre

CD Laboratories and JR Centres have the option of establishing an International Module at a university/research institution outside Austria. The preconditions will be verified during the evaluation of the application or for any modules to be added during the period of operation. There must be a separate Head of Module at the location. The period of operation of an International Module may not extend beyond the end of the CD Laboratory or JR Centre. These provisions also apply to the transfer of an External Module to a location outside Austria. The Module is subject to the Directives of the respective funding programme. For example, the Programme Directive for CD Laboratories applies to an External Module that is established at a university of applied sciences but is part of a CD Laboratory.

[5] Directive pursuant to § 15 together with § 12a of the FTFG (Research and Technology Promotion Act) (2024) for the programme to promote the establishment and operation of Christian Doppler Laboratories as amended (ref. 2024-0.243.359)

5.1.6. For CD Laboratories: special programme elements to promote young scientists and women in CD Laboratories

Through special additional programme elements, CD Laboratories aim to promote young scientists, especially in the STEM fields (mathematics, computer science, natural sciences and technology), as well as having the more general goal of promoting women in the sciences. Some of the measures are explicitly designed to promote gender equality and eliminate discrimination against women in science.

5.1.6.1. CDG Internship

Students enrolled in a Master's degree programme should have the opportunity to work as student assistants for three months in a CD Laboratory, including if possible a month at one of the Laboratory's commercial partners. This should win them over to the idea of embarking on a research career. The focus should be very much on their education. Students who perform a CDG Internship should be appropriately remunerated, with the costs covered separately. The CDG will issue special calls for applications from CD Laboratories that wish to request CDG internships.

5.1.6.2. Head of Laboratory endowed by the CDG

As a special programme element for the promotion of women, in the event that a female scientist who is foreseen to head a Laboratory but does not have a valid contract of employment with the funding recipient at the time of the application or is financed from third-party funds or from the university's global budget and for a fixed term and the non-employment is the only obstacle to a positive funding decision on an application to establish a CD Laboratory, the requirement of a valid employment contract with the funding recipient at the time of the application may be waived.[6] In such individual cases, 50% of the personnel costs for the Head of Laboratory, who is known as a Head of Laboratory endowed by the CDG (in accordance with Point 4.6.2 of the Programme Directive for CD Laboratories), can be funded for a maximum of four years. During the period of operation of the CD Laboratory, the university/research institution must provide a possibility to support the position.

The application for a Head of Laboratory endowed by the CDG must be made in connection with a specific application for the establishment of a CD Laboratory.

The level of remuneration for heading a laboratory set by the CDG Executive Board is eligible for funding a Head of Laboratory endowed by the CDG.

[6] The recipient guarantees or will undertake serious measures to employ the Head of Laboratory for the entire duration of the project. The share of the Head of Laboratory's salary is financed from the recipient's global budget.

5.2. Module contracts

In cases 5.1.4 and 5.1.5, the host institution of the CD Laboratory or JR Centre must conclude Module Agreements with the host institution of the External Module or International Module in which the General Funding Conditions for the Funding of Christian Doppler Laboratories and Josef Ressel Centres are transferred to the External or International Module. The willingness to conclude such Module Agreements must be documented in the form of a declaration of consent when submitting the application.

5.3. Duration

The regular period of operation of a CD Laboratory is seven years, that of a JR Centre five years. The Scientific Board of the CDG conducts scientific evaluations during the term and makes recommendations on the possible extension of the CD Laboratory/JR Centre. The primary aim of the evaluations is to assess the progress of the (basic) research.

CD Laboratories are evaluated before the end of the second and fifth year after the start of their operation.

JR Centres are evaluated before the end of the second year after the start of their operation. A scientific interim assessment of JR Centres is also carried out before the end of the three-and-a-half to four-year term and must be positive for the JR Centre to receive further funding until the end of its foreseen period of operation.

5.4. Head of Laboratory or Head of Centre

The persons responsible for the operation of the CD Laboratories or JR Centres, hereinafter referred to as Heads of Laboratory or Heads of Centre, must be appointed in the host agreements (Point 7.1). In principle, there should be no change in the person heading a Laboratory or a Centre. Changes are only possible in justified individual cases and in agreement between the contractual parties and the commercial partners. A new evaluation by the CDG Scientific Board – which may, if necessary, include a hearing - is necessary in any case.

5.5. Change of host institution for CD Laboratories/JR Centres

If the Head of a CD Laboratory or JR Centre moves to a new university, non-university research institution or university of applied sciences, the CD Laboratory or JR Centre in question can be relocated to the new establishment. In the case of a CD Laboratory, a transfer can only be made to another university or non-university research institution. In the case of a JR Centre, a transfer can only be made to another Austrian university of applied sciences. A change of host institution requires the agreement of the commercial partners of the CD Laboratory or JR Centre and of the future host institution. Agreement must also be sought with the previous host institution. The CDG Executive Board will decide how to proceed based on these documents.

The provisions of Point 15.9.3 apply to fixed assets.

6. Application / submission of request for funding

6.1. Application

A CD Laboratory or a JR Centre is established on the basis of an application submitted to the CDG by the Head of Laboratory or Head of Centre, with the agreement of the funding recipient. Applications to establish a CD Laboratory or a JR Centre must be prepared in accordance with the Guidelines for the Establishment of a CD Laboratory or JR Centre issued by the CDG. Formally correct applications will be subjected to an evaluation procedure.

6.2. Extension of the support

For the extension of funding for a CD Laboratory or JR Centre beyond the introductory phase and, in the case of CD Laboratories, beyond the first extension phase, a positive evaluation in accordance with Point 21 is required. In the case of JR Centres, the extension until the end of the term is also dependent on a positive interim assessment in accordance with Point 21.1 para. 2. It is not necessary for the funding recipient to submit a separate application for extension.

6.3. Changes

The Head of Laboratory or Centre is responsible for any qualitative or quantitative changes to the research plan, the time plan or the cost plan given in the application, particularly relating to collaborations with companies that were not initially planned. The Head of Laboratory or Centre may at any time submit an application for such a change to the CDG for approval. Changes may only be effected following prior express approval from the CDG. Should the changes make it necessary for the funding recipient to increase its level of in-kind contributions by making additional resources available (e.g. additional premises), approval of the funding recipient is also required.

7. Contract structure

7.1. Host agreement[7]

To establish a CD Laboratory or JR Centre and to receive funding, a host agreement must be concluded between the CDG, the funding recipient as the host institution of the CD Laboratory or JR Centre and the Head of Laboratory or Head of Centre.

The host agreement governs the establishment and operation of a particular CD Laboratory or JR Centre and contains provisions relating to the Head of Laboratory or Centre, to the research topic in the

[7] The host agreement corresponds to the former "Concrete agreement with the host institution" (until 31.12.2024)

form of research, time and cost plans, to the approved budgetary framework and to the organizational unit of the funding recipient at which the CD Laboratory or JR Centre is to be located.
Host agreements are generally concluded for two years (introductory phase).
In the case of CD Laboratories, the host agreements contain options for an extension of three years for the first extension phase and a further two years for the second extension phase, subject to successful evaluations in accordance with Point 21.
In the case of JR Centres, the host agreements include an option for a three-year extension phase. The three-year extension phase is granted subject to a positive interim assessment in accordance with Point 21. This must be conducted before the end of three and a half to four years of operation (two-year introductory phase plus one and a half to two-year extension phase).
The letters of approval for the establishment and extension of CD Laboratories or JR Centres contain the terms and conditions of funding resulting from the review process or interim evaluations, where applicable.
The host agreements restrict the project that is funded to a specified research plan, time plan and cost plan, although it is possible to apply for modifications to reflect developments in the progress of the research (see Point 9.4 of the Programme Directive for CD Laboratories and JR Centres). The CDG Executive Board decides on the requested changes, in accordance with Point 9.4 of the Programme Directive for CD Laboratories and JR Centres.

7.2. Preconditions for the conclusion of host agreements

Preconditions for the conclusion of host agreements are

1. an agreement on the research programme with the commercial partners;
2. a declaration by the commercial partners (with effect vis-à-vis the funding provider) that they will respect the scientific freedom of the CD Laboratory or JR Centre and assume joint and several liability (§ 891 of the Austrian Civil Code ABGB) in accordance with Point 9.1.2.2 of the Directives for the CD Laboratory or JR Centre for the repayment of the funding in the event that a reason for repayment arises;
3. a positive outcome of the evaluation procedure (by the CDG Scientific Board and international review);
4. the availability of financial support;
5. a positive decision on funding by the CDG Executive Board.

7.3. Subcontracts

In concluding subcontracts (in particular, contracts of employment and contracts for works and services), the funding recipient must ensure that they include the obligations necessary for performing the research work in the appropriate way. This applies in particular to the regulations relating to nondisclosure/confidentiality, to publication activity and to intellectual property rights and to the legal provisions governing data protection relating to the project. The CDG has the right to examine the subcontracts at any time and guarantees that they will be treated confidentially.

7.4. Agreements between the funding recipient or the Head of Laboratory or Head of Centre and the commercial partners

If necessary, up to six months from the start of the CD Laboratory or JR Centre the provisions of these AFBs, in particular with regard to mutual non-disclosure/confidentiality and the use of the research results, can be more precisely specified. To this end, an agreement is to be concluded between the funding recipient, with the involvement of the Head of Laboratory or Centre, and the commercial partners, regarding mutual confidentiality requirements, publications and use of the research results (in particular intellectual property rights, including any agreement on remuneration for inventions and protectable results). Commercial partners who join at a later date have six months to conclude any such agreement from the start of their participation in the CD Laboratory or JR Centre. The agreement must not conflict with the cooperative nature of the funding programme (see also Point 20.2), as otherwise the research work will no longer be eligible for funding.

In the event of contradictions between the Collaboration Agreement and the General Terms and Conditions of Funding (AFBs), the AFBs will take precedence.

Any agreement between the funding recipient or the Head of Laboratory or Centre and the commercial partner(s) of the CD Laboratory or JR Centre concerning the CD Laboratory or JR Centre must be brought to the attention of the CDG and submitted within a reasonable period of time without the need for a request from the CDG. The CDG guarantees that the agreements will be treated confidentially.

8. General obligations of the funding recipient

8.1. Incorporation

The funding recipient is obliged to incorporate the CD Laboratory or JR Centre (or, when applicable, individual modules of a CD Laboratory or JR Centre) in its organizational structure.

In addition, the funding recipient provides each Head of Laboratory or Centre with a power of representation in accordance with Point 9.2 in relation to the Laboratory or Centre, particularly with regard to administrative aspects and to scientific leadership, to the extent legally possible and expedient to ensure that the administration of the CD Laboratory or JR Centre is flexible and largely self-sufficient.

8.2. Infrastructure

The following points are agreed with regard to the funding recipient’s obligation to make infrastructure available:

8.2.1. General infrastructure

The funding recipient makes basic infrastructure available free of charge and does not include costs for basic infrastructure in its calculations of eligible costs. Basic infrastructure is taken to mean appropriate space for the CD Laboratory or JR Centre, furniture, heating, telephone, Internet connection, copying equipment, administrative support etc. Such costs represent a contribution from the funding recipient and may not be funded because it is assumed that they are balanced by contributions from the commercial partners (e.g. making company infrastructure available, working time of company staff, contributions to the financing of the evaluation and administration by the CDG etc.), which are also not eligible for funding, as well as by the ability to use items of equipment funded by the CDG in accordance with Point 15.

8.2.1.1.

In the case of CD Laboratories, costs for any additional space necessary for the establishment and operation of the CD Laboratory may be accepted as eligible for funding under Point 11.5.5 up to a limit of 3% of the actual personnel costs. For such costs to be eligible they must arise directly, actually and additionally to the normal costs for the duration of the research activity being supported, which is generally assumed to be the case. The costs should be covered from the CD Laboratory's budget.

8.2.1.2.

In the case of JR Centres, expenses incurred by the funding recipient in providing the basic infrastructure and basic resources (in terms of material and personnel) are deemed to be covered by the scope of initial funding under Point 11.5.8.

8.2.2. Special infrastructure

8.2.2.1. Purchase and adaptation

Purchases of equipment or facilities that go beyond the basic infrastructure given under Point 8.2.1 and adaptations to the funding recipient's infrastructure (e.g. modification of rooms to house items of equipment that are funded by the CDG and provided to the CD Laboratory or JR Centre) that are immediately related to the project may be recognized as eligible costs under Point 11.5.2. The costs should be taken into account in the application. After approval of an application to this effect, the costs may be covered from the budget of the CD Laboratory or JR Centre.

8.2.2.2. Operational costs

It is possible to include in the application (under Point 11.5.5) a reasonable amount to reimburse costs for scientific, technical and infrastructural support provided to the CD Laboratory or JR Centre by the funding recipient beyond the basic infrastructure given under Point 8.2.1 if the funding recipient provides such support. Examples include costs for the (shared) use of central facilities or large items of equipment (e.g. measuring or testing facilities, electron microscopes, computing time on mainframe computers, use of cleanrooms etc.) or increased operating expenses resulting from measures connected with the purchase and adaptation of equipment in accordance with Point 7.2.2.1.

8.2.3. Use of the resources of the CD Laboratory or JR Centre by the funding recipient

Conversely, the material resources acquired for the CD Laboratory or JR Centre and funded by the project (e.g. books, journals, software licences, equipment whose acquisition value is below the depreciation limit for low-value assets in accordance with § 13 of the Income Tax Act (EStG), etc.) are available to the funding recipient for purposes other than the research work of the CD Laboratory or JR Centre, provided they are not mere consumables and that their use does not hinder the work in the CD Laboratory or JR Centre.

The use of items of equipment funded by the CDG with a purchase price above that of low-value assets in accordance with § 13 of the Income Tax Act (EStG) is regulated by Point 15.

It is not permitted to draw on personnel from the CD Laboratory or JR Centre (apart from the Head of Laboratory or Centre) within the portion of their time refunded by the funding programme for work not directly related to the CD Laboratory's research (e.g. independently holding lectures, assumption of general administrative work for the funding recipient) unless such activities serve to advance the staff member(s) concerned in the specific topic investigated by the CD Laboratory or JR Centre. However, it is desirable for the research results in the CD Laboratory or JR Centre to be incorporated in the university's teaching and thus staff of the CD Laboratory or JR Centre may participate in teaching. Their research work in the CD Laboratory must have priority over all other activities.

8.3. Public relations work

It is expected that the CD Laboratory or JR Centre is appropriately indicated and that the funding recipient presents the CD Laboratory or JR Centre as an independent entity on its website or that of the appropriate organizational unit. All publications related to the CD Laboratory or JR Centre (scientific publications, reports, press releases etc.) must mention the financial support from the Federal Ministry responsible for economic affairs or from the National Foundation for Research, Technology and Development and the Christian Doppler Research Association at an appropriate place.

The CDG welcomes the communication of scientific findings from CD Laboratories and JR Centres to the general public.

9. Head of Laboratory or Head of Centre

9.1. Leading a CD Laboratory or JR Centre

Each CD Laboratory or JR Centre is headed by a Head of Laboratory or Head of Centre.

9.2. Rights and responsibilities

The funding recipient ensures that the following rights are transferred to the Head of Laboratory or Head of Centre and that the following responsibilities are delegated to the Head of Laboratory or Head of Centre:

1. The Head of Laboratory / Head of Centre will perform his/her activities as Head of Laboratory / Head of Centre in accordance with the Host Agreement and the AFBs and will fulfil all obligations specified therein, which the funding recipient has assumed vis-à-vis the CDG, with the diligence of a conscientious scientist and Head of Laboratory / Head of Centre.
2. The funding recipient transfers all rights and responsibilities relating to the CD Laboratory or JR Centre arising from the AFBs to the Head of Laboratory or Centre, insofar as this is legally permissible and necessary for the operation of the CD Laboratory or JR Centre (in the case of CD Laboratories at Austrian universities: power of representation in accordance with § 28 UG, unless a management function in accordance with § 27 UG is already given). These include the selection of staff for the CD Laboratory or JR Centre, the supervision of the staff employed in the CD Laboratory or JR Centre and the tasks corresponding to Points 7.5 and 19. In all cases, the Head of Laboratory or Centre is bound by the legal framework and the regulations of the funding recipient. The terms of the AFBs must be taken into account when drawing up contracts with staff. In the case of JR Centres and non-university research institutions, the signing of contracts of employment is the responsibility of the executive management.
3. The Head of Laboratory / Head of Centre also undertakes to strictly observe the legal regulations and the regulations of the university/university of applied sciences/research institution, in particular with regard to personnel, use of equipment, safety and the environment. The Head of Laboratory / Head of Centre will ensure that all necessary information is passed to the funding recipient and that all necessary approvals are obtained.
4. The funding recipient authorizes the Head of Laboratory or Head of Centre to take all decisions of a substantive, organizational and financial nature within the framework of these AFBs and taking into account statutory (in the case of CD Laboratories at Austrian universities, in particular the Austrian Universities Act) and internal regulations as well as any additional agreements in accordance with Point 9.3 alone and without consulting the funding recipient. Existing reporting obligations remain unaffected.
5. The Head of Laboratory/ Head of Centre must ensure that he/she has sufficient time for heading the Laboratory or Centre - in particular for the scientific management of issues, for knowledge transfer and for supervising the CD Laboratory or JR Centre team. A minimum of bureaucratic

and organizational effort is required to integrate the CD Laboratory or JR Centre into the overall objectives of the CDG; this should also ensure the proper use of funds and make it verifiable for the funding bodies.

9.3. Additional agreement

An additional agreement on further procedural matters may be concluded between the funding recipient and the Head of Laboratory or Head of Centre.

10. Team of the CD Laboratory or JR Centre

10.1. Team

The CD Laboratory's team or the JR Centre's team comprises all persons who contribute to the work assigned to the CD Laboratory or JR Centre. The hiring and payment of staff of the CD Laboratory or JR Centre may be by means of a contract of employment, a (free) work contract or a contract for works and services, depending on the work to be undertaken. The funding recipient is the sole employer for all employments and the contractor for all additional agreements with the staff of the CD Laboratory or JR Centre. The funding recipient is also responsible for all issues relating to labour and social law and data protection law and assumes all legal responsibilities – both from civil law and from public law – towards staff and authorities.

10.2. Remuneration

Remuneration is paid by the funding recipient and include all incidental wage costs, taxes and other components of the salary. Appropriate amounts should be included in the budget of the CD Laboratory or JR Centre to cover the costs, to the extent they are eligible for support. If staff at the funding recipient work for the CD Laboratory or JR Centre for only a proportion of their time, personnel costs should be claimed only for this proportion.

10.3. Contracts

Contracts must be concluded between the funding recipient and the employees of the CD Laboratory or JR Centre. They must include at least the following points:

- assignment to the CD Laboratory or JR Centre;
- extent of employment in the CD Laboratory or JR Centre;
- salary or if applicable classification according to the collective agreement in force;
- regulation of nondisclosure/confidentiality and the handling of service inventions;
- compliance with data protection regulations.

10.4. Further specifications

In addition, the following requirements must be implemented:

- personnel costs are only eligible for funding up to the level of the personnel cost scheme determined by the CDG Executive Board or, if applicable, in accordance with the collective agreement in force. The CDG cannot subsidise salary components in excess of this amount. In justified individual cases, the CDG Executive Board may approve a higher personnel cost rates.
- it is a basic principle that the CDG is only responsible for covering costs or settling claims (such as for severance pay and the payment for untaken leave and relating to notice periods and termination dates) that arise during the period of operation of the CD Laboratory or JR Centre, not for entitlements that relate to previous periods of employment.
- if the CD Laboratory or JR Centre is terminated ahead of schedule, the CDG will only cover personnel costs following the date of closure up to the expiry of the period of notice specified by law or in the collective contract (generally from the budget of the CD Laboratory or JR Centre). The CDG will not cover any other claims that may arise from special provisions in the contracts or from previous periods of employment.
- Exceptional provisions may be agreed between the funding recipient and the CDG. To be legally applicable, any exceptions must be made in writing.

10.5. Form of the contracts

In preparing contracts for the staff of the CD Laboratory or JR Centre the provisions of the AFBs must be taken into account. The contracts between the funding recipient and the staff of the CD Laboratory or JR Centre may also take the form of appendixes to existing contracts. The CDG will make available an appropriate sample contract to cover the necessary provisions of the host agreement and the AFBs.

10.6. Students

The funding recipient and the Head of Laboratory or Head of Centre should involve qualified students in the preparation of Master's or Diploma theses and, in the case of CD Laboratories, dissertations in the research of the CD Laboratory or JR Centre. In the case of JR Centres, in close cooperation with universities, PhD students should also be involved - as part of a dissertation project - in the research. The Head of Laboratory or Centre is therefore entitled, in accordance with the study law applicable to the students, to enable students to work in the CD Laboratory or JR Centre and to supervise them if the Master's or Diploma thesis or dissertation can be expected to contribute to the objectives of the CD Laboratory or JR Centre.

11. Type of funding and eligible costs

11.1. Funding

The funds required for the operation of CD Laboratories and JR Centres are provided by the CDG. The contribution from the public purse comes from the Federal Ministry responsible for economic affairs and in the case of CD Laboratories also from the National Foundation for Research, Technology and Development. In some cases, there may be contributions towards the costs of CD Laboratories and JR Centres from other sources. The company contribution is collected by the CDG from the commercial partners and remitted to the funding recipient together with the funding from the public purse.

11.2. Type of funding

Funding is provided in the form of non-repayable grants.

11.3. Funding amount

The maximum amount of funding is specified in the host agreements (Point 7.1).

11.4. Composition of the funding

The funding is composed of a payment from the public purse (cf. Point 11.1) and a payment from the CDG, which includes contributions from the commercial partners.

11.4.1. CD Laboratory or JR Centres, CD Pilot Laboratories and International CD Laboratories or External and International Modules of a CD Laboratory or JR Centre

For projects eligible for funding in accordance with Points 5.1.1 to 5.1.5, the contribution from the public purse amounts to

- 50% of the eligible costs;
- 60% of the eligible costs if there are collaborations with SMEs, in relation to the extent of these collaborations. (cf. Points 4.1 and 4.2 of the Programme Directive for CD Laboratories and Point 4.1 of the Programme Directive for JR Centres).

Lower limits of budget per year:

- JR Centre EUR 90,000
- CD Laboratory EUR 140,000
- CD Pilot Laboratory EUR 140,000

Upper limits of budget per year:

- JR Centre EUR 460,000

- CD Laboratory EUR 800,000
- CD Pilot Laboratory EUR 700,000

11.4.2. Initial funding for a JR Centre

The public purse contributes 100% of the initial funding for a JR Centre.

In accordance with Point 5.2 of the Programme Directive for JR Centres, the basis for calculating the amount of initial funding is the budget for the first two years. The amount is limited to a maximum of 10% of this budget sum. If External or International Modules have already been approved as part of the initial approval of a JR Centre, the budget for these modules can be included in the budget for calculating the initial funding. If there is an External or International Module, the Head of Centre is responsible for the distribution of the initial funding between the scientific partners.

The prerequisite for the granting of initial funding is the availability of financial support.

The premature termination of the JR Centre may result in reclaiming of the initial funding.

11.5. Eligible costs

Eligible costs include all expenditure attributable to the research project and all costs resulting directly, actually and in addition (to the normal operational costs) from the project for the duration of the research activities supported.

11.5.1. Personnel costs

Costs for scientists, researchers, technicians and other staff members are eligible, provided they are employed by the funding recipient and directly assigned to the research project. Personnel costs that can be considered as belonging to the funding recipient’s administrative costs are not eligible for support. Personnel costs may be paid up to the levels given in the scheme of personnel costs set by the CDG Executive Board. Personnel cost rates given by any collective agreement[8] in place are also accepted. Components of a salary that exceed the CDG’s scheme of personnel costs and that are voluntary and not foreseen or required by the terms of the collective agreement (e.g. private pension schemes, voluntary social contributions) are not eligible for support from the CDG.

With the exception of Heads of Laboratory endowed by the CDG (see Point 4.1.6.2), no personnel costs for the Head of Laboratory/Head of Centre are eligible for funding. However, an honorarium for heading a Laboratory or Centre, the level of which is determined by the CDG Executive Board, may be paid and is eligible for support. Additional components of the salary that relate to heading the CD Laboratory and that are voluntary and not foreseen or required by the terms of any collective

[8] In the case of International CD Laboratories or International Modules, contracts comparable to the collective agreement, such as collective labour agreements, are also accepted.

contract are not eligible for support from the CDG. This rule applies analogously to the Heads of External and International Modules.

The costs for the administration of personnel costs by the Bursar's Office, finance department or human resources may be charged to the CDG; such costs must be covered from the budget of the CD Laboratory or JR Centre.

The funding recipient should ensure that the accounting of the CDG project costs should be related as simply as possible to the payroll account. Payroll accounts relating to activities outside those of the CD Laboratory remain unaffected.

11.5.2. Costs for fixed assets (inventory)

Fixed assets (inventory) in the sense of the Business Enterprise Code (UGB) are items with a puchase value above the threshold for low-value assets (GWG) in accordance with Section 13 of the Income Tax Act (EStG) that are intended to be used permanently for business or research in the CD Laboratory or JR Centre.

The purchase costs for such equipment are eligible for funding if the equipment is necessary or expedient for the operation of the CD Laboratory or JR Centre, is in operation and is permanently dedicated to specific scientific work of the CD Laboratory or JR Centre for the duration of the CD Laboratory or JR Centre.

The following costs are eligible in connection with fixed assets:

- purchase costs for inventory in the sense of the Business Enterprise Code (UGB), i.e. equipment and software licences with a purchase value above the threshold for low-value assets (GWG) in accordance with Section 13 of the Income Tax Act (EStG) (including costs for transport, installation and necessary adaptations).
- costs for the purchase or adaptation of special infrastructure in accordance with Point 8.2.2.

The following costs are not eligible

- costs for basic infrastructural measures
- costs for buildings and premises
- depreciation costs

The federal procurement regulations (in particular the Federal Procurement Act)[9] are to be applied in accordance with Point 15.4.

11.5.3. Costs for hire-purchase equipment

Hire-purchase costs for fixed assets (inventory items) in the sense of the Business Enterprise Code (UGB) are eligible for support, although the interest and charges in the hire-purchase payments are not. The regulations for the costs of fixed assets (inventory items) are to be applied analogously.

[9] For International CD Laboratories or Modules, the European procurement regulations and their national implementation must be observed.

11.5.4. Material costs that do not represent fixed assets

The following material costs that do not represent fixed assets are eligible for funding, provided the items are used for the research project:

- low-value assets (GWG) in accordance with Section 13 of the Income Tax Act (EStG) without restriction
- purchases above the threshold for low-value assets (GWG) in accordance with Section 13 of the Income Tax Act (EStG) that are not intended to be used permanently for business or research in the CD Laboratory or JR Centre
- materials and consumables

11.5.5. Costs for third-party services

Costs for third-party services that are necessary or expedient for the research project are eligible for funding, in particular:

- purchase of research and consulting services outside the funding recipient, or in the case of JR Centres services from universities as part of a dissertation project;
- sample preparation, external measurements and material testing;
- specialized IT services;
- maintenance, repairs, installation and conversion of systems and equipment in the CD Laboratory or JR Centre;
- pro rata costs for the utilization of special infrastructure (also in the funding recipient) in accordance with Point 8.2.2;
- in the case of CD Laboratories: in accordance with Point 8.2.1, costs for additional space required for the establishment and operation of the CD Laboratory up to 3% of the actual personnel costs.

The federal procurement regulations (in particular the Federal Procurement Act)[10] must be observed when awarding contracts. Corresponding documentation must be enclosed with the documents relating to the award of the contract.

Financial returns to the participating commercial partners are generally not permitted. Under exceptional circumstances, however, costs of consignments or services from the commercial partners may be deemed eligible (e.g. if there is no technically or economically justifiable alternative for preparing samples). In such cases, the CDG Executive Board will decide whether an exception is justified. On no account may support provided to the commercial partner exceed the partner’s original costs.

Third-party services provided by staff of the funding recipient must also be approved by the CDG’s Executive Board, otherwise they will be deemed ineligible for support.

[10] In the case of International CD Laboratories or Modules, the European procurement regulations and their national implementation must be applied.

11.5.6. Travel costs

Travel costs of persons directly involved in the research in the CD Laboratory or JR Centre are eligible for funding in accordance with the travel cost regulations applicable at the host university or university of applied sciences or, in a subsidiary manner and in the case of non-university research institutions, the Austrian travel cost regulations. In the case of International CD Laboratories or Modules, the travel cost regulations of the funding recipient apply. Participation in congresses and other scientific events is eligible for funding if it is shown to serve to present the research results of a CD Laboratory or JR Centre (lecture, poster, publication in proceedings). The costs of the participation of staff of the CD Laboratory or JR Centre or the Head of a JR Centre (but not the Head of a CD Laboratory) are also eligible for funding if participation serves the necessary or expedient acquisition of knowledge in connection with the research project (development of competence in the CD Laboratory or JR Centre).

11.5.7. Other costs

Other operating costs of the CD Laboratory or JR Centre are eligible for funding, in particular

- scientific literature and journals, access to online media etc.;
- workshops, scientific guest lectures, presentations.

Costs for the building up of reserves and savings are not eligible unless any collective agreement provides for them.

11.5.8. Initial funding for JR Centres

The initial funding in accordance with Point 11.4.2 should partially cover the expenses of the university of applied sciences in providing the basic infrastructure and resources (in terms of material and personnel). The initial funding should be used to offset any organizational and structural burdens on the organizational unit in which the JR Centre is embedded.

11.5.9. Value added tax

The value added tax (VAT) on eligible payments is not itself eligible for support. However, if VAT is shown to have been actually and finally paid by the funding recipient, i.e. if the funding recipient is not entitled to VAT reimbursement, it may be included as an eligible cost. VAT that may be reclaimed, by whatever means, is not eligible for support, even if the funding recipient does not receive reimbursement.

If a payment made to the funding recipient is taxable and declarable in accordance with the 1994 Value Added Tax Act (BGBl. 663 in the currently valid version) and the tax authorities view this not as support but as payment for performance of a contract and thus claim VAT from the funding recipient, it is envisaged that the payment be treated as gross[11]. Under no conditions will the CDG grant an additional and separate payment to cover VAT.

11.5.10. Acquisition tax

Purchase invoices from within the EU may be marked with the funding recipient's VAT number. In such cases it must be ensured that the funding recipient pays the acquisition tax[12] .

11.5.11. Income

Income that is directly related to the funded activity, but not income that arises from the utilization of the research results, reduces the level of support.

11.5.12. The following costs are not eligible for funding

- donations;
- expenses for damages and administrative penalties.

11.6. Recognition of eligible costs

Unless otherwise agreed, eligible costs may only be recognised if they arise after the start of the CD Laboratory's operation.

The costs to the funding recipient or the partners related to the preparation of the contract and any transfer costs must be borne by the funding recipient and/or the partners and are not eligible for reimbursement from the CDG. Similarly, costs that arise after the end of the CD Laboratory's or JR Centre's period of operation are not eligible, nor are costs that are deemed ineligible as a result of provisions in the EU's competition laws.

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[11] For International CD Laboratories and International Modules: if a grant to the funding recipient is taxable and declarable in accordance with the 1994 Value Added Tax Act (BGBl. 663 in the currently valid version) and the tax authorities view this not as support but as payment for performance of a contract and thus claim VAT from the funding recipient, the payment should be treated as gross.

[12] Incoming invoices from outside the EU or the EEA are to be treated analogously.

12. General directives on financial accounting of a CD Laboratory or JR Centre

12.1. Bookkeeping

The funding recipient undertakes to perform its accounting in a manner that is correct and in accordance with the provisions of the Business Enterprise Code / Accounting Act (*UGB/ Rechnungslegungsgesetz*), in conjunction with the Universities Act/Accounting Act in the currently valid versions in the case of universities; and in accordance with the relevant national and European regulations in the case of International CD Laboratories/Modules,. Failure to comply with the CDG's directives for the financial accounting of a CD Laboratory or JR Centre will lead to the non-acceptance of the costs or to the cessation of support.

Within its accounting system (such as SAP) the funding recipient must allocate an internal account number (*Innenauftragsnummer*) to each CD Laboratory or JR Centre and if applicable separately for External/ International Modules . All income and expenditure of each CD Laboratory or JR Centre and,- if applicable, of each External/ International Modules - must be precisely accounted under this number. All finances relating to an individual CD Laboratory, JR Centre or External/ International Module must be handled exclusively by the corresponding account or cost centre. The account or cost centre may only be used to administer the finances relating to the CD Laboratory, JR Centre or External/ International Module.

12.2. Dedicated use

The funding recipient undertakes to use the funds provided by the CDG for the intended purpose.

12.3. Address for invoices

All invoices to be settled via the budget of the CD Laboratory or JR Centre must clearly present the connection to the individual CD Laboratory or JR Centre, otherwise they will not be eligible for funding. Flat rate accounting between a funding recipient and a CD Laboratory or JR Centre is not permitted. In each case, costs must be attributable to units of activity or quantity.

12.4. Report on expenditure

The funding recipient undertakes to inform the CDG about the performance of the project being supported by means of reports on expenditure, each consisting of a substantive report and a numerical report.

12.4.1. Substantive report (on expenditure)

The substantive report must include – for each CD Laboratory or JR Centre – details on the use of the support from Federal funds and from private sources, a verifiable report on the performance of the research funded and information on the results of the research. Information on External and International Modules and on the special programme elements given in Point 5.1.6 should be included separately in the substantive reports of the corresponding CD Laboratory or JR Centre.

12.4.2. Numerical report on expenditure

The numerical report on expenditure must include a breakdown of all income and expenditure associated with the work being funded, supported by documentation. The documents may be copies of invoices or copies of proofs of payment provided that the originals may be inspected or submitted at a later date. The report may be submitted electronically if it can be ensured that the information is complete, sorted, identical in content to the original and verifiable. The CDG reserves the right to inspect the documents or to have them submitted at a later date.

According to the Federal Fiscal Code (*Bundesabgabenordnung*), electronic invoices are invoices that are issued, sent, received and processed in an electronic format. Such invoices will be accepted, whereby the following conditions must be satisfied:

- authenticity of the source of the invoice
- intactness of the invoice
- legibility of the invoice

12.5. Obligation to preserve records

All books and receipts and all other supporting documents mentioned in Point 16.3 must be kept safe and sorted for a period of ten years from the end of the year when full support was paid, or at least from the date of the work with which the expense is associated. The CDG reserves the right to extend the period for which documentation must be preserved if there is justification for so doing. If any European legal provisions stipulate a longer period of time they must be observed. Appropriate image carriers and electronic media may be used to store the information, provided they guarantee that the information is complete, sorted, identical in content to the original and verifiable and that it is accessible at any time until the end of the period for which the funding recipient is obliged to preserve records. In such cases, the funding recipient is obliged to offer at its own cost all tools necessary to make books, receipts and other documents readable or as far as is required to produce permanent copies that may be read without tools and to make them available on electronic media.

12.6. Earnings from interest

The funding recipient must credit the appropriate CD Laboratory or JR Centre with the amount of any interest payments that accrue as a result of the advance financing of CD Laboratories or JR Centres by the CDG. This sum must be added to the total funding for the Laboratory or Centre. If, on the other hand, the funding recipient makes payments on behalf of CD Laboratories or JR Centres that are envisioned in the agreed budgetary provisions but are not covered by payments already received from the CDG, the CDG undertakes to refund the interest paid on these amounts for the period of advance financing by the funding recipient.

12.7. Research, time and cost plans

The funding of the CD Laboratory or JR Centre is based on the research, time and cost plans to be submitted by the Head of Laboratory or Centre for each phase of support.

12.7.1. Introductory phase (1st and 2nd research year)

The research plan, time plan and cost plan submitted as part of the initial application include detailed information on the first and second years of research and give indications of the plans for the following years.

12.7.2. Extension phase (in the case of CD Laboratories, first extension phase) (3rd, 4th and 5th research year)

The research plan, time plan and cost plan presented during the interim evaluation after two years include detailed information on the third, fourth and fifth years of research and – in the case of CD Laboratories - give indications of the plans for the following years.

12.7.3. In the case of CD Laboratories: second extension phase (6th and 7th research year)

The research plan, time plan and cost plan presented during the interim evaluation after five years include detailed information on the sixth and seventh years of research.

12.8. Approval of the research, time and cost plans

Once approved by the CDG Executive Board, the research plan, the time plan and the cost plan form an integral part of the contracts for the CD Laboratory or JR Centre in question.

12.9. Recognizance of costs

The approved costs do not constitute a recognition of costs. The final amount of the eligible costs and the funding will only be determined after the CDG has reviewed and approved the report on expenditure of funds. There may be demands for repayment to the CDG as a result of the checks in accordance with Point 16.

13. Budgeting

13.1. Budget

The costs planned for the research years for the research work in the various contract phases in accordance with Point 12.7 must be presented in the form of budget plans broken down by calendar year. The budget of the CD Laboratory or JR Centre is requested annually by the Head of Laboratory or Centre.

13.2. Budget and work plan

The budget plan is based on work plans by calendar year and is broken down according to the individual budget items, commercial partners and, if applicable, External/International Modules. The CDG will provide the Head of Laboratory or Head of Centre with the valid versions of the forms and with an indication of when they should be submitted. The budget plan and the work plan must be prepared up by the Head of Laboratory or Centre in consultation with the individual commercial partners, taking into account the scientific freedom in CD Laboratories and the freedom for the development of expertise in JR Centres as well as the necessary relevance to the commercial sector. The budget plan and work plan must be submitted to the CDG in good time.

If the funding application in accordance with Point 6.1 or the evaluation report in accordance with Point 21.3 no. 2 is sufficiently detailed, it can be used as a work plan. On request from the commercial partners, specific annual work plans must be submitted to them.

13.3. Submission of the budget and work plan

The CDG must receive the budget and work plan of the CD Laboratory or JR Centre for the following year, duly executed by the commercial partners, by 1 September of the current year.

13.4. Approval of the budget and work plan

The budget for the CD Laboratory or JR Centre for the following calendar year will be determined by the CDG Executive Board as part of its decision on the CDG's overall budget.

13.5. Disposition of support

The disposition of the support must take place in accordance with the agreed budget plan and work plan. On no account may the total expenditure for the year exceed the level of the approved budget.

13.6. Increase in the budget

Increases to the approved budget are only possible with the prior approval of the CDG Executive Board. The Head of Laboratory or Head of Centre should submit an application justifying the requested increase to the CDG and the application should be confirmed by the commercial partners. The CDG Executive Board will decide whether the application should be approved.

13.7. Reallocations of the budget

The Head of Laboratory or Head of Centre may reallocate part of the approved budget (from one budget category to another within a Module) up to a limit set by the CDG Executive Board. In special cases it may be possible to reallocate a larger amount. If a larger reallocation is desired, the Head of Laboratory or Head of Centre should submit an application to the CDG, with a justification of the change and with confirmation that the commercial partners consent to it. The CDG Executive Board will decide whether to approve the application.

Reallocations of the budget to purchase fixed assets represent an exception: these must be submitted to the CDG Executive Board for approval irrespective of the amount involved and the application must be signed and duly executed by all commercial partners affected by the change.

13.8. Carry-over of unspent money

Unspent money from the budget from the current year can be automatically carried over to the following year's budget up to the amount determined by the CDG Executive Board. In special cases it is possible to carry over larger amounts to the following year. If this is desired, the Head of Laboratory or Head of Centre must submit an application to the CDG by the deadline for submission of applications for consideration in the last meeting of the CDG Executive Board of the current year. The application requires an appropriate justification and confirmation from the commercial partners. It must be approved by the CDG Executive Board.

As a result of the transfer of unspent money, the budget may exceed the stipulated annual limit.

13.9. Unutilized budget funds

Money unspent in the current year that the annual accounting identifies as to be refunded by the CDG to the commercial partners and to the funding provider will be treated as an advance payment for the following year and does not lead to an increase in the budget for the following year. The money does not have to be returned to the CDG but remains on the funding recipient’s account as an advance payment.

14. Allocation and accounting of the budget

14.1. Transfers

The CDG will transfer quarterly the money required for the operation of the CDG Laboratory or JR Centre to the funding recipient’s account, to the credit of the CD Laboratory or the JR Centre. The first three quarterly payments represent instalments; the fourth quarterly payment is the difference between them and the approved budget for the year.

14.2. Financial report

The financial report is the central document for the presentation of budget payments and for the annual accounts.

14.3. Transfer of quarterly payments

Following approval of the budget for the following year, the CDG provides the Head of Laboratory or Head of Centre with the form for the financial report. The Head of Laboratory or Head of Centre divides the approved budget between the four quarterly payments, broken down by individual modules and cost categories, and returns the form to the CDG by 1 January. Only once the form, correctly completed, has been received, may the quarterly payments be transferred.

14.4. Annual accounts

By 31 January of the following year, the Head of Laboratory or Head of Centre must submit a complete financial report for the year, a complete list of expenditures, an excerpt from the funding recipient's accounting system (such as an SAP excerpt) and an excerpt from the list of assets. Together with the additional documents, the financial report represents the numerical report on the disbursement of the support in accordance with Point 12.4.2.

14.5. Eligibility of funding

On the basis of the annual accounts, the CDG examines the eligibility for funding of the costs that have been charged to the CD Laboratory or JR Centre. Any costs deemed to be ineligible will be considered as unspent money in accordance with Point 13.9 and will be treated as an advance payment against the budget of the following year.

14.6. Final accounts

Within four weeks of the end of the operation of the CD Laboratory or JR Centre, the Head of Laboratory or Head of Centre will submit to the CDG an orderly final statement of account for the CD Laboratory or JR Centre. As in Point 14.4, this will include the complete financial report for the year in question, a complete list of expenditures, an excerpt from the funding recipient's accounting system (such as an SAP excerpt) and an excerpt of the list of assets. After the CDG has examined the final accounts, any costs deemed ineligible for support will be reimbursed by the funding recipient.

15. Fixed assets / inventory

15.1. Inventory, depreciation and residual book value of fixed assets

Fixed assets are purchased by the funding recipient and charged to the internal account number of the CD Laboratory or JR Centre. They must be inventoried and their depreciation calculated in accordance with normal legal provisions. The date the equipment enters operation is to be taken as the date of purchase.

If the provisions of Point 15.9 require a refund of the purchase costs, two factors are to be considered in calculating the residual book value. The date for calculating the residual book value will be taken as the date of the cause of the refund, such as the normal or premature termination of the CD Laboratory or JR Centre or the end of the participation of a commercial partner in the CD Laboratory or JR Centre. Any phasing-out period that may be granted will not be taken into account. The depreciation times will be fixed by the CDG Executive Board. In case of doubt, the CDG Executive Board will determine the date and depreciation time appropriate to the equipment in question

As part of the inventory process, all fixed assets should be marked with a label from the CDG in accordance with Point 15.5.

15.2. Ordering of fixed assets

Fixed assets are ordered by the Head of Laboratory/Head of Centre, who in doing so must observe the funding recipient's internal guidelines relating to orders. Invoices must be dated no later than 31 December of the current year and addressed to the funding recipient. The regulations of Point 12.3 relating to the address of invoices must be observed.

15.3. Large items of equipment

15.3.1. Limits

The CDG Executive Board sets two limits in relation to the purchase of large items of equipment. Equipment with a purchase price exceeding the lower of the two limits may only be purchased with the agreement of the commercial partner(s) affected. If the purchase price exceeds the upper limit, the purchase must also be approved by the CDG Executive Board. Large items of equipment are defined as those for which the purchase price exceeds the lower of the two limits set by the CDG Executive Board.

15.3.2. Purchase in the final 24 months of the normal operation

The funding recipient must seek the CDG's permission before purchasing any large items of equipment in the final 24 months of the normal period of operation. In accordance with Point 14.9.1, if large items of equipment are purchased in the final 24 months of the normal period of operation (excl.

any phasing-out period that may be granted) the residual book value must be refunded at the end of the normal period of operation.

15.3.3. Hire-purchase

Large items of equipment may also be acquired by means of hire-purchase agreements if the purchase price is above a level set by the CDG Executive Board. The contracts are to be concluded by the funding recipient. Before concluding a hire-purchase contract, the funding recipient should reach an agreement with the CDG on the operative handling of the contract and any associated liabilities.

15.4. Federal regulations for allocation of contracts

The Federal regulations for awarding contracts (in particular the Federal Procurement Act, *Bundesvergabegesetz*) are applicable[13]. The corresponding documentation must be submitted together with the documents relating to the purchase.

15.5. Labelling

The fixed asset is to be identified in an easily visible position with an inventory label from the funding recipient and with a label that acknowledges the support from the CDG. The CDG will send such labels to the CD Laboratory or JR Centre.

15.6. Condition of the equipment

Equipment must be maintained in an orderly and functional condition. If equipment is withdrawn because it is no longer operational or has been lost, the CDG should be informed and an explanation provided as part of the annual accounts.

15.7. Insurance cover

The funding recipient is responsible for providing its normal insurance cover for the equipment. The insurance costs are eligible for support.

15.8. Use of equipment

The funding recipient must ensure that the equipment purchased from support provided to the CD Laboratory or JR Centre is available for the CD Laboratory's or JR Centre's use without restriction. The funding recipient may use the equipment without charge, provided that doing so does not restrict the work in the CD Laboratory or JR Centre. The agreement of the Head of Laboratory or Head of Centre is required before the equipment may be used by any third parties, including the commercial partners.

[13] In the case of International CD Laboratories/Modules, the European procurement regulations and their national implementation are applicable.

In such cases an appropriate consideration should be charged and the income credited against the share of public funding received for the Laboratory or Centre. Payment may be waived only with the agreement of the CDG Executive Board.

15.9. Reimbursement

15.9.1. Normal termination of the CD Laboratory or JR Centre

If large items of equipment are purchased in the final 24 months of the normal period of operation of the CD Laboratory or JR Centre (excl. any phasing-out period that may be granted), the funding recipient must refund the residual book value – calculated in accordance with Point 15.1 – to the funding agency at the end of the normal period of operation of the CD Laboratory or JR Centre (excl. any phasing-out period that may be granted).

During the normal termination procedure for the CD Laboratory or JR Centre, the commercial partners may be interested in acquiring some of the equipment purchased for the CD Laboratory's or JR Centre's research. In such cases, the CDG encourages the funding recipient to relinquish the equipment to the commercial partners against payment of an appropriate consideration.

15.9.2. Premature termination of the CD Laboratory

1. If the CD Laboratory or JR Centre is terminated prematurely because of a negative scientific evaluation, the funding recipient must refund to the CDG the residual book value of the equipment, calculated in accordance with Point 15.1.
2. If the CD Laboratory or JR Centre is terminated prematurely because of the withdrawal of the company partner(s), the CDG will ensure that the companies in question refund to the CDG the proportion of the residual book value – calculated in accordance with Point 15.1 – that was covered by the public purse. In such cases, the university will not be required to refund the proportion of the residual book value that was covered from other sources. There is no requirement for a refund if the CD Laboratory or JR Centre is continued with other company partners.

15.9.3. Change of host

If the host institution changes, the equipment necessary for the further research in the CD Laboratory or JR Centre must be relinquished to the new host, which should pay an appropriate level of compensation to the previous host. The new host assumes responsibility for the equipment.

16. Financial controlling

16.1. Control that the funding is used for the intended purpose

The CDG checks that funding is used for the intended purpose by

1. an on-site check of the CD Laboratory's or JR Centre's financial policy and the financial structures at the funding recipient, undertaken within the first twelve months of the start of the research activity;
2. examining the funding recipient's annual accounts, prepared in accordance with the CDG's formal requirements;
3. random checks that funding is being used for the intended purpose (checks of the technical and financial correctness);
4. external checks that funding is being used for the intended purpose undertaken by independent financial auditors or by the Federal Ministry responsible of economic affairs.

16.2. Continuous financial controlling

The funding recipient undertakes to participate in the CDG's financial controls (cf. Point 12.2.6 and Point 12.2.7 of the Programme Directive of CD Laboratories and JR Centres). The funding recipient must provide evidence for all income and expenditure related to the support for the CD Laboratory or JR Centre and must make available any additional documents required.

If the funding recipient has spent its own money for the same purpose or if it has received money from a third party, the descriptions in the report and in the evidence of the financial correctness must extend to all the funding recipient's income and expenditure in connection with the work being supported.

16.3. Inspection

In connection with monitoring that funding is used for the intended purpose, the funding recipient must grant access to the relevant books and supporting documentation and to any other material useful to the inspection of how the research is conducted – in all cases in original – to organs or delegates of the Federal Ministry responsible of economic affairs, to the National Foundation for Research, Technology and Development, to the CDG as funding agency and to persons and institutions delegated by the CDG as well as to organs of the EU and of the Auditor General's office. Access may be at the funding recipient's premises or at third parties and on-site inspection should be permitted. The funding recipient must provide all persons and bodies with all required information – or must have this information provided – and must make a suitable person available to respond to requests for information. The inspecting body will decide which documentation is required to investigate the performance of the Laboratory or Centre in question.

With respect to inventory items (including hire-purchase equipment), the funding recipient must provide the auditors on demand an excerpt from the accounting system (such as an SAP printout) and an excerpt from the inventory. The annual financial report should also be used to inform the CDG of any equipment that has been withdrawn: the information must be provided without the need for the CDG to request it.
With respect to personnel costs, the funding recipient must provide the auditors on demand an excerpt of the payroll accounts and must grant them access to the contracts of employment, the contracts for works and services and the time sheets.

17. Nondisclosure / confidentiality

17.1. General requirements for nondisclosure / confidentiality

Information of any kind that the commercial partners communicate to the Head of Laboratory or Head of Centre or to staff members of the CD Laboratory or JR Centre in the course of its operation, as well as all information relating to the operation and research results of the CD Laboratory or JR Centre that is received as a result of work at the host institution must be treated in confidence unless otherwise provided for by Points 18 and 19. Information and research results are excepted from this provision if

- they are covered by an explicit agreement to the contrary with the commercial partners involved, or
- it can be shown that the information was known to the Head of Laboratory or Head of Centre or to staff members of the CD Laboratory or JR Centre before it was received from the commercial partner and/or before the start of the research work under the present agreement, or if it was subsequently made known by third parties entitled to do so, or
- they represent general state of the art or became state of the art without the assistance of the Head of Laboratory or Head of Centre or of staff members of the CD Laboratory or JR Centre, or
- they were or became generally known without the present agreement's being broken.

17.2. Publication and/or patenting of research results

The requirement for confidentiality specified above applies in particular to the publication and/or patenting of the research results of the CD Laboratory or JR Centre, unless otherwise provided for by Points 18 and 19.

17.3. Scope

The commitment to confidentiality extends to all persons involved in the work covered by the present contract and continues for six years beyond the period of the contract for the CD Laboratory or JR Centre in question. The requirement for confidentiality must be included in contracts of employment and contracts for works and services concluded with individual persons.

17.4. Commercial partners

The commitment to confidentiality applies analogously to the commercial partners with respect to the CD Laboratory or JR Centre and with respect to the funding recipient, although the goals of the CD Laboratory may not be hampered by the provision. The CDG is responsible for transferring the commitment to its member organizations.

18. Publications

18.1. Publication

The term “publication” is used to mean any mechanism to enable public access to research results via printed media, in electronic media, by means of presentations in word and/or image or by other means.

18.2. Interest in publications

The CDG recognises the vital interest from the funding recipient and from the staff employed in the CD Laboratories or JR Centres in publishing all scientifically significant research results that arise in the course of the work of the CD Laboratory or JR Centre.

18.3. Framework conditions for the publication of research results

Results from basic research should be published in an appropriate form, ideally in refereed journals or in respected forums for publication in the relevant field. Publication of results of application-oriented basic research or other application-oriented research results should take into account the economic interests of the commercial partners (e.g. in patenting). A written agreement between the Head of Laboratory or the Head of Centre and the commercial partners should be obtained in advance. If within three weeks of sending a manuscript to be published to the commercial partners the Head of Laboratory or the Head of Centre receives no justified objections to publication or requests for changes, this is to be interpreted as consent to publication. On no account may the performance and conclusion of Master’s theses, diploma projects and PhD theses or the handling of these according to study laws be obstructed or delayed. The provisions of § 86 of the Universities Act or § 19 (3) of the Universities of Applied Science Study Act (FHStG), together with the internal guidelines of the university or university of applied sciences and the study laws, apply to the conclusion and the possible block on publication of such works.

18.4. Acknowledgements in publications from a CD Laboratory or JR Centre

Publications of work undertaken in a CD Laboratory or JR Centre must mention, in addition to the name of the author, both the CD Laboratory or JR Centre and the funding recipient. They must also include at an appropriate point the information that the research was supported by the Federal Ministry responsible for economic affairs or by the National Foundation for Research, Technology and Development and must refer to the Christian Doppler Research Association.

18.5. Acknowledgements in publications from the CDG or from its corporate members

In publications from the CDG and its corporate members that make reference to the activities or the research results of a CD Laboratory or JR Centre at the funding recipient, the CD Laboratory or JR Centre and the participating institutions of the funding recipient are to be named. The CDG will instruct its corporate members to act accordingly.

19. Intellectual property rights

All service inventions arising from the research activities of CD Laboratories or JR Centres must be reported immediately to the funding recipient (when an Austrian university is the host institution, this requirement is in accordance with § 106 UG and when a university of applied sciences or a non-university research institutions in Austria is the host institution it is in accordance with § 12 of the Patents Act, PatG). In addition, the following regulations apply:

19.1. Information, rights and items contributed

Ownership of the information, the rights and the items provided as well as the right to determine their use and exploitation remain without restriction with the contractual party that makes them available.

19.2. Contracts of employment

In concluding contracts of employment with the staff of the CD Laboratory or JR Centre, the funding recipient will include an agreement relating to the requirement to report service inventions and protectable results arising during the work of the CD Laboratory or JR Centre and will specify the funding recipient's right to take up such inventions or protectable results. The notification must be made without delay in writing to the funding recipient and to the Head of Laboratory or Head of Centre.

19.3. Contracts for works and services

Furthermore, the funding recipient will include a clause in contracts for works and services and for any other agreements with the staff of the CD Laboratory or JR Centre governing the immediate reporting of and waiving of rights in favour of the funding recipient to inventions that arise during the course of performing the contracts for the CD Laboratory or JR Centre. The funding recipient will also incorporate a confidentiality clause in the contracts and agreements in accordance with the provisions of the present agreement. All regulations relating to service inventions are to be applied analogously.

19.4. Use in areas that would not compromise the companies' competitive interests

The participating scientific partners in the close sense and the corporate cooperation partners may use and exploit the research results for their own research and development activities and in their teaching without limitation in the areas of their work that would not compromise the companies' competitive interests. In the exploitation of research results, attention should be paid to ensure that no industrial property rights are infringed and that none of the collaboration partners' business or trade secrets are revealed.

19.5. Reporting

The funding recipient must oblige the Head of Laboratory or Head of Centre to inform the funding recipient immediately of any inventions or protectable results obtained by the Head or the staff of the CD Laboratory or the JR Centre during the course of the CD Laboratory's or JR Centre's research work and thereafter to communicate this information in writing to the commercial partners. The Head of Laboratory or Head of Centre should agree with the commercial partners on the form and the extent of the information.

19.6. Attribution to the CD Laboratory or JR Centre

The decision whether inventions or protectable results fall within the scope of the agreed research activities of the CD Laboratory or JR Centre is to be taken jointly by the Head of Laboratory/ Head of Centre and the commercial partners.

19.7. Confidentiality

By means of written non-disclosure agreements, the funding recipient will take all provisions necessary to ensure that all recipients of information treat in strict confidence all information relating to inventions or protectable results as well as to business or trade secrets passed on to commercial partners or to third parties.

19.8. Inventions and/or protectable results within the companies' specific fields of business

With regard to the further regulations for the use of inventions and protectable results, the following sections distinguish between those that lie within the companies' specific fields of business and those that lie outside them. For inventions and protectable results that arise from the CD Laboratory's or JR Centre's research work and that can be assigned to the specific fields of business of the company partners, the provisions of Points 19.8 no. 1 to no. 7 apply.

1. The funding recipient will require the Head of Laboratory /Head of Centre to inform the funding recipient within six weeks of the first report of an invention or a protectable result of whether commercial partners have an interest that the funding recipient take up the invention or protectable result and transfer it to the companies. When the funding recipient is an Austrian university, this requirement is in accordance with § 106 of the Universities Act (reporting a service invention). To enable the deadline to be met, the commercial partners must inform the Head of Laboratory /Head of Centre of their interest sufficiently early and in writing.
2. The Head of Laboratory /Head of Centre and the commercial partners should agree on the form and the extent of this communication. Until it is received, the funding recipient undertakes not to disclose any information related to the report and waives its own rights to the invention or protectable results as well as its right to delegate these rights to the inventors.
3. If the Head of Laboratory /Head of Centre informs the funding recipient that company partners are interested in having the funding recipient take up the invention or protectable result and transfer it to the companies, the funding recipient claims the invention or protectable result from the inventors and transfers the rights to these company partners[14]. The commercial partner covers the costs involved in the transfer and any additional costs incurred in relation to the transfer of the rights to the invention or protectable result and to its patenting, including paying a fair recompense to the inventor in accordance with §§ 8 and 9 of the Patents Act. In accordance with Point 7.4, additional payments to the funding recipient may be agreed (see also Point 20.2). In addition, remuneration can be provided by the commercial partners for the creators or authors of other results eligible for protection (apart from inventions). The commercial partners grant the funding recipient the right to use the transferred inventions and protectable results for scientific, non-commercial purposes, whereby the funding recipient must ensure that the competitive interests of the companies concerned are in no way compromised by the use.
4. The funding recipient may make commercial use of the inventions that have been taken up by commercial partners, and for which they have registered an IPR, outside the business sectors in which the companies are active. If the patent does not foresee any corresponding restrictions on the area in which the invention may be applied, any such use may only take place in agreement with the commercial partners.
5. If the inventions and protectable results transferred to the commercial partner produce a special economic benefit, the commercial partners in question are prepared to recognize this by payment of an additional consideration, the level of which should be set on a case-by-case basis.
6. If the Head of Laboratory/Head of Centre or the commercial partner(s) informs the funding recipient within six weeks that they are not interested in taking up or transferring the results, the funding recipient's requirement under 19.8 no. 2 to waive its rights to the invention or protectable results

[14]Should more than one company partner declare an interest in the transfer of an invention or protectable result and should the invention or protectable result lie in the specific fields of business defined by two or more of the interested companies, the companies in question are obliged to come to a consensus on the sharing of the rights within an acceptable period of time, which they are to agree with one another and with the funding recipient. Should no consensus be reached in this period, the rights to the invention or protectable result will be divided in proportion to the companies' documented contributions to the work of the CD Laboratory or JR Centre relevant to the invention. In case of doubt, the CDG Executive Board will determine whether the companies contributed to the portion of the work relevant to the invention.

obtained by the Head of Laboratory/Head of Centre or staff of the CD Laboratory or JR Centre during the course of the CD Laboratory's or JR Centre's research work lapses and the funding recipient is free to take up the rights itself or to release them to the inventors.

7. Alternative licensing models: in particularly justified cases that represent the exception, the funding recipient and the commercial partners can agree on other licensing models that enable the use of the inventions or protectable results without transferring ownership. Such licensing models may be, for example, exclusive or non-exclusive licences that grant the commercial partners the right to use the inventions or protectable results while the funding recipient retains ownership. The licences must be formulated in accordance with EU and Austrian law and should ensure that the interests of all parties are safeguarded and that fair remuneration is provided for the use of the inventions or protectable results. The specific terms of any such licence agreements must be negotiated between the parties on a case-by-case basis, recorded in writing and set out in accordance with Point 20.2.

19.9. Inventions and/or protectable results outside the companies' specific fields

For inventions and protectable results that lie outside the company partners' specific fields of business, the provisions of Point 19.9 no. 1 and no. 2 are applicable instead of the provisions of Point 19.8 no. 1 to no. 6.

1. The funding recipient will require the Head of Laboratory/Head of Centre to inform the commercial partners of inventions and protectable results. The funding recipient will offer the commercial partners the right of first refusal on rights to the invention or protectable results, to be acquired for an appropriate payment. The commercial partners must communicate their interest in doing so within a period of six weeks.
   In calculating the payment, the costs associated with taking up or transferring the rights to the inventions and protectable results and any additional costs that have already accrued to the funding recipient are to be taken into account, as are the recompense to the inventors and any patent costs.
2. Until the answer from the commercial partners is received, the funding recipient undertakes not to disclose any information related to the report and until the expiry of the six-week grace period waives its own rights to the invention or protectable results as well as its right to delegate these rights to the inventors.
3. The partners can agree that the rights to inventions or protectable results that have been taken up and transferred will revert to the funding recipient if they are not used within a certain period of time, which is to be agreed.

19.10. Determination of the companies' specific fields of business

During the application process, the companies and the funding recipient or the Head of Laboratory/ Head of Centre must agree on the fields that are to be treated as the companies' specific fields of business, as they relate to the CD Laboratory or JR Centre in question. If there are changes to a company's strategic direction, the relevant agreement should be changed accordingly.

19.11. Research results that do not enjoy legal protection

Research results that are not protected by industrial property rights may be used by both sides. If results are sensitive and related to trade secrets of one or more cooperation partners, the funding recipients may only use them with the consent of the commercial partner(s) whose trade secrets may be compromised. Consent may not be refused without a reasonable justification.

19.12. Personal data

In cases where personal data, including special categories of personal data in the sense of Article 9 of the General Data Protection Regulation (GDPR), are processed as part of the cooperation, the funding recipients and the corporate partners are obliged to conclude appropriate contractual agreements. The agreements must clearly regulate the obligations and responsibilities of the parties with regard to the GDPR-compliant handling of the data. The parties are obliged to take all necessary technical and organizational measures to comply fully with the legal requirements of the GDPR. These contractual provisions must be agreed immediately after the relevance of personal data in the cooperation has been established.

19.13. Disputes

All disputes between the funding recipient and the CDG arising in relation to intellectual property rights, in particular with regard to whether an invention or a protectable result belongs to the sector-specific field of business of the companies or with regard to the decision whether an invention or a protectable result belongs to the agreed research activities of the CD Laboratory or JR Centre, will be settled by the court of arbitration, in accordance with Point 26.3. In case of doubt, the sector-specific fields of business will be determined by the research programme of the CD Laboratory or JR Centre.

19.14. Collaboration

The CDG encourages its corporate members wherever possible and expedient to exploit and/or develop further any inventions and protectable results (both within and outside the companies' specific fields of business) in collaboration with the universities, research institutions and universities of applied sciences that host CD Laboratories or JR Centres working in the area.

19.15. Material transfer agreements with non-participating companies

As part of the research activities of the CD Laboratories or JR Centres, it may be necessary to obtain materials from third-party companies (i.e. companies not participating in the research unit) without separate remuneration, for which Material Transfer Agreements (MTAs) are concluded. The MTAs may grant the third-party companies a non-exclusive right to use the research results, limited to the specific research activities for which the materials are used.

To enable collaboration with companies not involved in the research unit in the sense of Point 2.2, an MTA may allow such companies to use the research results, provided that the commercial partners directly involved in the CD Laboratory or JR Centre expressly agree to the MTA. It is the responsibility of the Head of Laboratory or Head of Centre to ensure that the necessary consent is obtained.

20. Scientific freedom and collaboration with commercial partners

20.1. Scientific freedom

The funding recipient is granted scientific freedom to use 30% of all resources available to a CD Laboratory or 20% of all resources available to a JR Centre. The Head of Laboratory or Head of Centre is responsible for this freedom and for how it is used. In the case of CD-Laboratories, the scientific freedom serves to produce and develop the results of basic scientific research, in particular the methods and procedures; in the case of JR Centres, the scientific freedom serves to develop expertise. The use of the scientific freedom should fully relate to the research themes of the CD Laboratory or the JR Centre in question. The freedom may not be restricted, either by the university administration or the university of applied sciences management or by the commercial partners, in terms of the topics investigated or the methods employed.

20.2. Collaboration with commercial partners

In accordance with the understanding of "joint collaboration projects between companies and research institutions" (Point 2.2.2 no. 28 of the Union Framework for State aid to promote research, development and innovation (2014/C 198/01)), CD Laboratories and JR Centres are special forms of research collaboration between scientific and corporate partners (Point 2.2). Accordingly, the intellectual property rights resulting from the collaboration "and the associated access rights [...] shall be allocated to the different collaborating partners in a way that takes due account of their work, their contributions and their respective interests". (Point 2.2.2 para. 28. lit. c).

The funds distributed in the course of granting support under these AFBs thus do not constitute R&D aid in the sense of the Union Framework (Point 1.2 no. 12 lit. a), irrespective of the fundamental permissibility of such aid.

The understanding of collaboration intended by the funding programmes therefore requires independence (Point 5.1.1) and a fundamental balance on the part of all partners, in terms of the costs to be borne for the research collaboration and of the use and exploitation of the research results. The programmes are therefore not funding instruments for traditional contract research by companies commissioned to scientific institutions. The nature of the intended research collaboration is rather a personally perceived scientific collaboration between all partners. Although the actual research unit (CD Laboratory or JR Centre) is established at the scientific partner and the staff is employed exclusively by the host institution, it is assumed that the commercial partner has a scientific interest, which is also supported by company employees, as a prerequisite for the effective economic exploitation of the results by the company.

The costs of the research cooperation are equally distributed in accordance with Point 8.2.1, whereby the commercial partners contribute significantly to the costs of the research cooperation by means of their financial contribution to the CDG.

The balance of the exploitation of the research results is based on the different purposes of companies and scientific institutions. The provisions of Point 19 regulate the utilization of results that can be protected by industrial property rights. The rules may be further specified by the partners (Point 7.4) but only insofar as to maintain the balance between the partners.

In this type of cooperation, the commercial exploitation of the results is primarily in the hands of the commercial partner, while the scientific use in research and teaching and the task of expanding and publishing basic knowledge is in the hands of the scientific partner. This division requires mutual consideration.

Notwithstanding the ensured freedom for scientific basic research or research, the funding recipient undertakes to maintain the research collaboration, taking into account the legitimate interests of the corporate cooperation partner.

Notwithstanding the autonomy of the cooperation partners in the commercial and scientific exploitation of the results, the following points must be observed. Any rights and obligations concerning the CD Laboratory/JR Centre must be exercised by the funding recipient or the commercial partners themselves and cannot be transferred to other or affiliated companies. However, the commercial partners and the funding recipient may pass on information on particular research results to affiliated companies with the consent of the other partner (commercial partner or funding recipient). In such cases, the regulations on the use of the research results and on non-disclosure and confidentiality must be transferred to the affiliated companies.

20.3. Obligation to report

The CDG must be informed immediately of any circumstances that delay, impair or render impossible the business collaboration (cf. Point 25.1 no. 3. regarding the cessation of funding due to the discontinuation of collaboration with a company).

21. Monitoring of success and evaluation

21.1. Monitoring of success

The success of the work in the CD Laboratories and JR Centres is monitored by a range of measures including

1. scientific evaluations lead by international experts. The object of these evaluations is the assessment of the scientific performance of the CD Laboratory or JR Centre with regard to application-oriented basic research or application-oriented research and, as far as possible from the external reviewer's point of view, the quality of knowledge transfer and uptake in business practice.
   In the case of International CD Laboratories, special attention is also paid to the scientific collaboration between the CD Laboratory and the scientific community in Austria; jointly supervised Master's and diploma theses and dissertations and joint publications are seen as an expression of this.
   Scientific evaluations are mandatory before the end of the second and, in the case of CD Laboratories, before the end of the fifth research year. The results of the reviews form the primary basis for decisions on the extension and further funding of the CD Laboratory or JR Centre.
2. In the case of JR Centres, an interim assessment before the end of the three-and-a-half- to four-year period of operation: The procedure for the interim assessment is similar to that for the two-year evaluation, except that the interim assessment is based on a scientific interim report without an evaluation event. The object of the interim assessment is the research work since the two-year evaluation and the plans for the period until the end of the JR Centre’s period of operation. The interim report is evaluated by the JR Scientific Board with the assistance of an external reviewer, if necessary. Under special circumstances (e.g. special terms agreed following the two-year evaluation, change of commercial partners etc.), the JR Scientific Board may decide to hold an evaluation event. The interim assessment must be positively evaluated for the JR Centre to receive further funding until the regular end of its period of operation. Any terms or conditions set by the JR Scientific Board for the continuation of the JR Centre during the interim assessment must be implemented.
3. a final evaluation at the end of each CD Laboratory or JR Centre to assess the contribution of the CD Laboratories or JR Centres to the CDG's programme objectives, in particular aspects relating to academia, commercial partners, the improvement of the Austrian innovation system and the promotion of young scientists.
4. regular meetings with the commercial partners.
5. if necessary, a general meeting of all commercial partners with the Head of Laboratory or Centre to discuss the performance of the CD Laboratory or JR Centre and its use by industry. The Head of Laboratory or Centre must inform the CD Scientific Board or JR Scientific Board of the outcome of these general meetings.

21.2. Documentation of scientific progress

The funding recipient is obliged to participate in the measures necessary to enable the documentation of the scientific progress in the CD Laboratory or JR Centre (cf. Points 12.2.1, 12.2.2, 12.2.4 and 12.2.5. of the Programme Directives for CD Laboratories and JR Centres).

21.3. Scientific reports

Scientific reports should provide information on the performance of the funded project and the results. The reports represent the substantive reports on expenditure of funding in accordance with Point 12.4.1. By the given deadlines, the Head of Laboratory or Head of Centre must submit the following scientific reports to the CDG and on request to individual commercial partners:

1. annually (by 31 January) a scientific and a statistical annual report. If the evaluation report in accordance with Point 21.3 no. 2 and the final report in accordance with Point 21.3 no. 3 are sufficiently detailed, they may be used as the annual scientific reports.
2. by four weeks in advance of each evaluation an evaluation report in English relating to the work of the relevant period of funding. These reports are to be accompanied by a research plan, a time plan and a cost plan for the following period of extension in accordance with Point 12.7.
3. in the case of JR Centres, an interim assessment report by the deadline set by the CDG. The interim assessment report must be prepared in the same way as the evaluation report for the two-year evaluation.
4. by four weeks after the completion of the CD Laboratory's or JR Centre's period of operation a comprehensive final report.

The scientific reports must be written in accordance with the CDG guidelines. If reports are not submitted on time or are not submitted at all, funding may be reclaimed; see Point 24.

21.4. Inspection

The funding recipient will grant representatives of the CDG or persons delegated by them at any time full access to the activities and results of the CD Laboratory or JR Centre and to all the documents mentioned under Point 16.3.

21.5. Programme evaluations

The funding recipient and the Head of Laboratory/Head of Centre are obliged to participate in programme evaluations and to contribute to the gathering of the relevant research policy indicators and statistics.

22. Reporting requirements

22.1. Continuous reporting requirements

The funding recipient undertakes to submit the following reports for each CD Laboratory or JR Centre

1. an annual financial report (in accordance with Points 12.4 and 14.5), to be submitted together with all accompanying documents by 31 January of the year following the reporting period;
2. an annual substantive report (in accordance with Points 12.4 and 21.3 no. 1), to be submitted by 31 January of the year following the reporting period and to comprise a scientific and a statistical annual report;
3. an evaluation report to enable the scientific evaluation to be performed (in accordance with Points 11.4 and 20.3 no. 2), which must be submitted by four weeks before the date set by the CDG for the evaluation event;
4. in the case of JR Centres, the report for the interim assessment (in accordance with Points 12.4. and 21.3. no. 3), which must be submitted by the deadline set by the CDG.
5. final accounts (in accordance with Points 11.4 and 13.6), to be submitted together with all accompanying documents within four weeks of the completion of the CD Laboratory's or JR Centre's period of operation; and
6. a final report (in accordance with Points 12.4 and 21.3 no. 4), to be submitted within four weeks of the completion of the CD Laboratory's or JR Centre's period of operation.

22.2. Special reporting requirements

In addition, the funding recipient undertakes to submit the following reports:

1. reports required as a result of special reporting requirements (in accordance with Point 23.1 no. 2);
2. any special reports to clarify particular circumstances that may arise during the administration of the support.

22.3. Content, structure and extent of the reports

Requirements relating to the content, structure and extent of the reports will be set by the CDG Executive Board.

22.4. Dates for submission of reports

The CDG reserves the right, if necessary (e.g. as a result of changes to the organizational conditions), to specify dates for the submission of reports that differ from those in the present agreement. Any alterations will be communicated in good time and the reason will be given. The funding recipient's organizational requirements will be taken into account.

23. Other terms and conditions

23.1. Responsibilities

The funding recipient undertakes

1. to start the work in accordance with the agreed time plan, or immediately after funding is approved, to perform the work efficiently and to conclude it within the agreed time or within an acceptable period of extension;
2. to report immediately and on its own initiative to the CDG any events that delay the funded project or make it impossible or that would require a change to the application or any agreed terms and conditions; and to comply with all other reporting requirements without delay.
3. in any agreements with individual persons, to include provisions that empower the CDG to gather any personal data required for the assessment of the requirements for funding, above and beyond that provided by the individual in question, and to request such data from appropriate Federal bodies or from other legal entities that award or administer research funding;
4. not to use funding from the Republic of Austria for the building up of reserves or savings in accordance with the 1988 Income Tax Act, BGBl. Nr 400;
5. not to dispose of the entitlement to funding that has been granted by surrendering, allocating or pledging it or by other means;
6. in all activities to observe all applicable provisions, in particular of the Federal Act on the Equal Treatment of Women and Men in Work (*Bundesgesetz über die Gleichbehandlung von Frau und Mann im Arbeitsleben*, BGBl. I No 66/2004) and the Disability Discrimination Act (*Bundes-Behindertengleichstellungsgesetz* – BGStG, BGBl. I No. 82/2005) as well as the ban on discrimination in accordance with § 7b of the Disabled Persons Employment Act (*Behinderteneinstellungsgesetz*, BEinstG, BGBl. No. 22/1970), in their currently valid versions,
7. to observe all provisions of labour law and social security law in the operation of the CD Laboratory or JR Centre;
8. to observe the General Data Protection Regulation (EU Regulation 2016/679), the Federal act to protect natural persons in the use of personal data (*Datenschutzgesetz* - DSG, BGBl I No. 165/1999 in the currently valid version) and all other applicable legal provisions relating to data protection;
9. to observe all applicable legal provisions and regulations; and
10. to respect all provisions of the present General Funding Conditions and all other agreements with the CDG and to fulfil the requirements resulting from them.

23.2. Scientific monitoring

In the course of the accompanying scientific monitoring during the funding period, the CDG is entitled to impose new terms and conditions or to modify existing terms and conditions. Such directives are communicated by the CDG Executive Board and represent an integral component of the host agreement.

24. Provisions for repayment

The funding recipient undertakes, without prejudice to the assertion of further legal claims, to reimburse the funding immediately in whole or in part at the request of the CDG or the EU – and the claim on payments that have been assured but not yet effected lapses – if in particular

1. the funding recipient provides incorrect or incomplete information on important circumstances to organs or representatives of the CDG, the Republic of Austria (especially of the Federal Ministry responsible for economic affairs), the National Foundation for Research, Technology and Development or the EU;
2. the funding recipient fails to provide the required reports or does not supply the necessary supporting documentation;
3. necessary information is not provided, despite a written warning giving a deadline for reply and including an explicit notice of the legal consequences of noncompliance, or other communications foreseen in these guidelines are not effected;
4. publications (scientific publications, reports, press releases etc.) related to the CD Laboratory or JR Centre repeatedly fail to mention the support from the Federal Ministry responsible for economic affairs or the National Foundation for Research, Technology and Development and the Christian Doppler Research Association (cf. Point 18.4), despite reminders that this must be done;
5. the funding recipient does not immediately – or at least before a control or the announcement of one – and on its own initiative report events that delay the performance of the project, that make it impossible or that would require its amendment;
6. before the proper conclusion of the project or within a period of three years thereafter bankruptcy proceedings are initiated against the funding recipient's assets or the initiation of bankruptcy proceedings is declined due to the lack of sufficient assets to cover the costs;
7. the funding recipient ceases to operate before the proper conclusion of the funded project;
8. the funding recipient impedes or obstructs the planned controlling measures or if the eligibility to take up the funding is no longer verifiable within the period of time foreseen for the preservation of records;
9. the funding recipient's use of funding has been in contravention of the regulations, either fully or in part;
10. the funding recipient cannot undertake the project on time or at all or has failed to do so;
11. the funding recipient has not observed the ban (see Point 23.1 no. 5) on disposing of the entitlement by surrendering, allocating or pledging it or by other means;
12. no additional agreement in accordance with Point 26.4 is concluded because the funding recipient rejects it or the failure to conclude an agreement is the fault of the funding recipient (deliberate or negligent);
13. the provisions of the Federal Act on the Equal Treatment of Women and Men in Work or the Federal Disability Discrimination Act or the ban on discrimination given in § 7b of the Disabled Persons Employment Act have not been observed;
14. suspension and/or repayment is demanded by organs of the EU;

15. there is an obligation to reimburse the support in accordance with § 30b of the Federal Act on the Employment of Foreigners (*Ausländerbeschäftigungsgesetz*, BGBl. No. 218/1975) in the currently valid version;
16. the funding recipient does not adhere to other preconditions for funding, in particular those intended to safeguard the attainment of the purpose for which funding was granted, or to provisions of the present AFBs or to any other agreements with the CDG, or has not properly fulfilled the requirements arising from them.

Compound interest will be charged on the amount to be repaid from the date the support was paid at an annual rate of 3% above the base lending rate valid at the time, as announced by the Austrian National Bank, whereby the annual rate charged will be at least 4%. If the interest rate is below that laid down by the EU for reclaiming payments, the latter rate will be applied.
If there is a default in the repayment of the funding, interest will be charged from the time of default at an annual rate of 4% above the base lending rate valid at the time, at least at an annual rate of 4%. The base lending rate on the first calendar day of a half-year will be taken as valid for the entire half-year.
If through no fault of the funding recipient the project can be only partially completed or has been only partially completed, the CDG may waive its right to claim repayment of the funding if the part of the work that has been performed would itself have been worthy of funding.

25. Termination of CD Laboratories or JR Centres

25.1. Termination of funding

In any case, the funding will end without prejudice to any provisions for the repayment of funding

1. on reaching the maximum period of funding of seven years in the case of CD Laboratories or five years in the case of JR Centres (plus any phasing out period up to a maximum of 12 months).
2. in the absence of a positive decision to extend the funding.
3. In the case of JR Centres, on a negative outcome of the interim assessment.
4. if the budget falls below the lower limit of EUR 140,000 for a CD Laboratory or EUR 90,000 for a JR Centre due to the discontinuation of cooperation with a commercial partner.
5. on the termination of the corresponding host agreement (Section 9.1.2 of the Programme Directive for CD Laboratories and JR Centres).

With regard to any phasing out period, which extends the funding period accordingly, the provisions of Point 25.4 apply.

25.2. Exceptional termination

The exceptional termination of a CD Laboratory or JR Centre is possible

1. in the event of exceptional circumstances, such as irreconcilable differences of opinion or organizational incompatibilities, loss of the Head of Laboratory/Head of Centre (through dismissal, death etc.).
2. on request from the Head of Laboratory/ Head of Centre because of serious reasons. In such cases, agreement should be sought with the commercial partners.

25.3. Time of closing

The CDG Executive Board decides on the date of closing of the CD Laboratory or JR Centre as a result of an event covered in Point 25.2.

25.4. Phasing out period

The awarding of funding in any phasing out period will be treated restrictively. The specific assessment and decision is made by the CDG Executive Board, if necessary on the basis of a recommendation from the CD or JR Scientific Board. The maximum duration of a phasing out period is 12 months.

25.4.1. Phasing out period after seven years (CD Laboratories) or five years (JR Centres)

The regular phasing out period is used to complete or supervise Master's/diploma theses and dissertations that, even with careful planning, cannot be completed within the regular period of seven years in the case of CD Laboratories or five years in the case of JR Centres, for particular scientific or other unforeseeable reasons. The phasing out period is therefore not to be regarded as a standardized eighth or sixth year of funding; it is an exception and is not to be included in the basic timetable for the research work of the CD Laboratory or JR Centre.
Personnel costs and the necessary travel and material costs are eligible for funding. New equipment purchases are not eligible for funding during the phasing out period. Regular phasing out periods may only be funded from funds not spent during the regular term.

25.4.2. Phasing out period after early termination for scientific reasons

A phasing out period analogous to Point 25.4.1 may also be granted in cases where the extension of a CD Laboratory or JR Centre is not approved or, in the case of JR Centres, the interim assessment is negative. It is intended to enable the completion or supervision of Master's/diploma theses and dissertations and to secure the scientific results that have been achieved.
For phasing out periods after early termination, unspent budget funds from the regular term and additional funds may be granted.

25.4.3. Phasing out period after falling below the budget floor

A termination of the CD Laboratory or JR Centre due to the discontinuation of the cooperation with a company (or falling below the minimum budget of EUR 140,000 for a CD Laboratory or EUR 90,000 for a JR Centre) can be postponed by granting a phasing out period to avert major damage to the CD Laboratory or JR Centre. A phasing out period of this kind serves to enable the completion and supervision of Master's/diploma theses and dissertations and to secure the scientific results that have been achieved, as well as establishing new business contacts to enable the continuation or resumption of the CD Laboratory or JR Centre on a regular footing. In this sense, the phasing out period can also be seen as a bridging phase.

Personnel costs and the necessary travel and material costs are eligible for funding. New equipment purchases are not eligible for funding during the phasing out period.

For phasing out periods after early termination, unspent funds from the regular term and new funds may be granted.

In the event of the continuation or resumption of the CD Laboratory or JR Centre, the phasing out period may be shortened. In any case, the length of the phasing out or bridging period will be included in the calculations of the total duration of the CD Laboratory or JR Centre.

25.5. Premature termination

If at the time of premature termination of a CD Laboratory or JR Centre the funding recipient still has contracts with staff of the CD Laboratory or JR Centre, the CDG will refund the personnel costs to the funding recipient until the date of the Laboratory’s or Centre’s termination, in any case until the expiry of the legal notice period (generally from the CD Laboratory’s or JR Centre’s budget). As far as legally possible, the funding recipient should foresee in all contracts for works and service and all freelance service contracts that the premature termination of the CD Laboratory or JR Centre or of an External or International Module represents important grounds that justify the premature termination of the contract. In addition, the funding recipient must include a provision in each contract of employment with staff of the CD Laboratory or JR Centre to enable the termination of the contract within the deadlines and by the dates given by law or by any applicable collective contract.

25.6. Withdrawal

The CDG has the right to withdraw from host agreements with immediate effect in the event of grossly negligent behaviour of a general nature on the part of the funding recipient or of violations of the contractual provisions or procedural guidelines of the CDG. In such cases, the entitlement to any further funding from the CDG for the CD Laboratories or JR Centres in question lapses.

25.7. Head of Laboratory / Head of Centre

If for personal reasons the Head of Laboratory or Head of Centre is no longer able to fulfil the responsibilities associated with heading the Laboratory or Centre, the funding recipient has the right to the premature termination of the Host Agreement with the Head of Laboratory or Head of Centre. The Head of Laboratory or Head of Centre has the right to the premature termination of the Host Agreement if the funding recipient is no longer able to make available the organizational, personnel and material resources necessary for the project. Before any such request is considered by the CDG Executive Board, the funding recipient must be informed and asked to comment. It is taken as agreed that a premature termination – by whichever contractual party – will observe the appropriate notice period (which should be limited to a maximum of six months). The CDG and the commercial partners are entitled to adapt the CD Laboratory's or JR Centre's budget plan and work plan during the period of notice.

26. Final provisions

26.1. Mutual obligation to exchange information

The funding recipient and the CDG are obliged to inform each other without delay of any important events that relate to the object of the General Funding Conditions.

26.2. Liability

26.2.1. CDG disclaimer

The funding recipient acknowledges that the CDG is acting solely as funding agency. The CDG is thus not to be held responsible in any way for harm or damages to persons, rights or material goods that may occur in the performance of the project. The responsibility to guard against such or comparable events lies solely with the funding recipient, who must in all cases indemnify the CDG and hold it harmless in respect of any claims relating to provisions governing default and liability that may arise in this context or otherwise from this contract or from the funding. The CDG is liable only for wilful and grossly negligent breaches of its obligations.

26.2.2. Funding recipient disclaimer

The funding recipient may not be held liable for the non-attainment of the research goals unless it can be shown that this results from its failure to meet its contractual obligations. The CDG is responsible for ensuring that the present agreement is drawn up in a way that gives rise to no reservations relating to funding regulations and for observing the legal provisions governing payment of the funding to the funding recipient. The funding recipient is liable only for wilful and grossly negligent breaches of its obligations.

26.3. Court of arbitration

For all legal disputes between the funding recipient and the CDG arising from the funding contract, including the AFBs, a three-person court of arbitration, in accordance with § 577 ff of the Austrian Code of Civil Procedure (ZPO; *Zivilprozessordnung*), will be convened with its seat in Vienna. One member

of the court of arbitration will be nominated by the funding recipient for the CD Laboratory or JR Centre and one member will be nominated by the CDG Executive Board. The third member, who will assume the chair, will be appointed by the funding recipient and the CDG in agreement with each other.
All legal disputes are to be settled solely with recourse to Austrian law. The court of arbitration will be held in German.

26.4. Changes to the General Funding Conditions

The CDG intends to review the contents of the General Funding Conditions in a cycle of at least five years and to adapt them in line with requirements that arise during the review. The funding recipients will be informed of any changes in good time and will have the right to object to them. In the event of an objection, any existing host agreements will remain in force until the end of the current contractual phase. For new host agreements to be concluded and for the granting of extension phases, the AFBs in the version then in force must be accepted.
The CDG may at any time demand changes to the agreed terms and conditions, or include new or additional terms and conditions, if required by important circumstances that arise but did not lie in the CDG's responsibility. In such cases, appropriate additional agreements will be reached with the funding recipient.

26.5. Severability clause

Should one of the provisions of the AFBs be invalid or ineffective, it is hereby agreed that it will be replaced by a provision that comes as close as possible to the commercial purpose of the invalid or ineffective provision. The change will not affect the validity and legal effectiveness of the AFBs.

26.6. Abuse of funding

The funding recipient is aware that the improper use of funding may lead to criminal prosecution.

26.7. Court of jurisdiction

For all legal disputes arising from the funding contract, including the AFBs, the District Court of the First District of Vienna has exclusive jurisdiction in district court proceedings (*bezirksgerichtliche Verfahren*) and the Regional Court for Civil Matters of Vienna (*Landesgericht für Zivilrechtssachen Wien*) has exclusive jurisdiction in proceedings before the courts of justice (*Verfahren vor den Gerichtshöfen*). The CDG is also entitled to prosecute the funding recipient at the latter's court of jurisdiction.
The funding contract, including the AFBs, and any legal disputes are governed solely by Austrian law.