

# CONTRACT DESIGN ASSIGNMENTS

## 1. The Parties

By and between

(the Designer) and  
(the Client) an agreement has been made as follows:

## 2. The Assignment

The Client hereby commissions the Designer to:

If an identical or related assignment has been given or will be given to another party, the Designer must be informed accordingly. The Designer is in turn under duty to speak out if anything prevents the free treatment of the assignment.

The Designer undertakes to deliver a proposal in the form of

by (date)

The Client is under duty to state within weeks after having received the proposal in writing to the Designer whether he approves of the proposal.

When approval has been given, the Designer is furthermore under duty to deliver

by (date)

## 3. Fees

### 3.1 Alternative Forms of Remuneration

For his/her work, the Designer shall be given a fee determined in accordance with alternative below.

- a) The design commission shall be paid at a fixed price of NOK
- b) The design commission shall be paid according to the time used at NOK per hour.
- c) The design commission shall be paid according to the time used yet so that the sum total of the cost of hours shall not exceed NOK unless otherwise agreed.

### 3.2 Advances

For the design commission, an advance payment shall be made of NOK on the signing of this Agreement.

### 3.3 Fee on Discontinuation

If the assignment is not carried out, or is discontinued for reasons for which the Designer is not to be blamed, the fee shall be determined as follows:

- a) Work done shall be paid according to the time used at NOK per hour, not less than NOK, alternatively
- b) Work done shall be paid according to the time used at NOK per hour, but not less than the advance payment agreed.

### 3.4 Invoicing

The Designer shall invoice his/her fee monthly. If a fixed price is agreed, the monthly invoice shall be for an amount equalling the price divided by the number of months allocated for the assignment, yet so that final settlement only takes place when the assignment has been completed.

If an advance has been paid, monthly invoices shall only be issued when the claim for fees exceeds the advance sum received. Invoices fall due for payment 14 days after their date of issue.

#### **4. Specific Fees**

The tasks of the Designer are specified exhaustively in the description of the Assignment above. In the event that the Designer is to carry out other tasks, e.g. participate in market research and marketing etc., a separate remuneration shall be agreed for this.

#### **5. Outlays**

In addition to the fee, the Client shall pay any expenses which the Designer may incur for photocopying, long-distance telephone calls, telefaxes, freight and computer costs etc. as per statement from the Designer.

Expenses for consultants, tests/sampling, materials etc., travel and meals are paid by the Client as per receipts submitted and are conditional on approval in advance from the Client. The Client cannot refuse his/her consent without due grounds. Unless otherwise agreed, the reimbursement made of travel and meals is as per the official rates.

Should the commission not be executed or be discontinued for reasons which cannot be blamed on the Designer, any outlays according to this provision shall be reimbursed up until the time of the discontinuation.

Invoices for outlays are payable 14 days after the date of the invoice.

#### **6. Option**

The Designer allows the Client an option to manufacture, market and to sell the product(s) covered by the Agreement on the terms and conditions detailed or to be detailed in a separate agreement on manufacturing/sale as stated.

The Client must notify the Designer in writing that he wants to exercise his option within        weeks from the completion of the assignment. Failure to do so leaves the Designer free to make arrangements for manufacturing and sale with another manufacturer.

Should the Agreement terminate before the Designer has completed his/her work, or the option not be exercised, then the existing result of his/her work devolves on the Designer, and the Client is not entitled to utilise it at his/her own discretion.

#### **7. Legal Protection**

The Designer retains the copyright in accordance with the Act relating to Copyright in Literary, Scientific and Artistic Works, and is also entitled to apply in his own name for patent and design protection.

The Designer retains ownership of his/her original pieces of work etc. He/she may demand to have them returned without consideration if they have been handed over to the Client and are no longer needed in connection with completion of the assignment.

#### **8. Publication**

In any publication of the assignment and/or the solution thereof, the Designer is entitled to have his/her name mentioned. The Parties are agreed on the following procedure:

#### **9. Silence**

The Designer is under duty of silence with regard to the Client's plans, production methods and business affairs. He/she must ensure that anybody else working with him/her also observes this duty of silence. The manufacturer and his/her employees are similarly under duty to observe silence about the work and the methods of the Designer. Information about the assignment and/or its solution must not be released for publication, market research or in any other way until both parties agree accordingly.

## 10. Inheritance

Upon his/her death, the rights of the Designer under this Contract shall pass to his/her estate.

## 11. Termination of the Agreement

### 11.1 Dates of Termination

The Agreement terminates when the Designer has completed the commission, final settlement has been made, and the term for exercising the option has expired.

### 11.2 Termination at Stages in the Plan of Progression

In the event that an agreed plan of progression is available, the Client is entitled without giving further grounds, to break off the commission after each completed stage of the plan of progression.

In that event, the Client is under duty to notify the Designer in writing thereof within            week(s) after the last completed stage of the plan of progression. This right is conditional upon the fee being paid in accordance with the preceding provision.

### 11.3 Rescission

In the event that one of the Parties is in material breach of his or her duties in accordance with the provisions of the Agreement, the other party is immediately entitled to rescind the Contract. In the event that the manufacturer claims not to have received the notice of termination, which was sent by registered mail, the cut-off date shall be set as one week after the postmark of the termination notice.

### 11.4 Legal Protection, Publication and Duty of Silence

The provisions concerning legal protection, publication and duty of silence shall continue even if the Agreement expires or is terminated.

## 12. Liability for Damages and Limitations

In the event that the Manufacturer is in breach of his duties under the Agreement, the Designer is entitled to claim damages under general rules of the law of tort and damages.

In the event that the Designer commits a negligent breach of his/her duties under the Agreement, damages may be claimed for direct losses, limited upwards to the sum advanced according to Clause 3.2.

## 13. Legal Venue and Resolution of Disputes

In the event that the Parties disagree, either over the understanding of this Contract, or over the performance of the work, and the dispute cannot be resolved through direct negotiations, either party may bring it before the ordinary courts of law, the Parties hereby accepting as the legal venue the venue of the Designer.

Should the Parties in an individual case agree thereon, arbitration may be used in accordance with the rules in Chapter 32 of the Civil Procedures Act.

....., on .....

The Client

The Designer

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