

AGREEMENT ON COOPERATION

BETWEEN

Zhytomyr State Technological University (ZSTU)

and

Swedish Radiation Safety Authority (SSM)

DATE: _____ 2012

- The Government of Sweden has decided to render technical assistance and support the implementation of certain safety upgrading measures in Central and Eastern Europe and Ukraine from the funds allocated yearly for this purpose to the Swedish Radiation Safety Authority;
- The Secretariat for International Co-operation and Development is a special entity within the SSM which has been authorised to administer the allocated funds for the safety upgrading measures to be implemented at ZSTU;
- ZSTU is willing to accept the technical assistance from the Government of Sweden.

This Agreement is made by and between

Swedish Radiation Safety Authority (SSM), having its offices at Solna strandväg 96, SE-171 16 Stockholm, Sweden, and authorised to act on behalf of the Swedish Government,

as one Party hereto, and

Zhytomyr State Technological University (ZSTU), having its offices at Chernyakhovsky str. 103, 10005 Zhytomyr, Ukraine as a Ukrainian legal entity,

as the other Party hereto.

SSM and ZSTU hereby agree as follows:

1. PURPOSE

The purpose of this Agreement concerns safety upgrades at ZSTU to be carried out jointly by the Parties hereto with the involvement, wherever necessary, of Ukrainien, Swedish or other western participants.

All services and equipment provided to ZSTU under this Agreement shall be provided as technical assistance.

The technical assistance under this Agreement shall be provided based on the mutual consent of the Parties hereto and within the limits of the budgetary appropriations of the Government of Sweden.

Co-financing of specific projects shall be discussed and agreed upon between the Parties during the planning and start-up phase of the projects. Decisions on financial split shall be agreed upon before signing of relevant contracts and specified in respective Project Financing Agreements between the Parties.

2. SUBJECT

In the framework of the bilateral agreement, SSM shall finance projects according to annual plans, attached as Project Identification Sheets (PIS) to this Agreement. The services and equipment comprised within the frames of this Agreement is a part of technical assistance enhancing the nuclear and ecological safety at ZSTU and Ukraine and it shall be exempted from all taxes and duties stated in Ukraine on the basis of an application submitted by ZSTU to the Government of the Ukraine.

For procurement of services and equipment under this agreement the SSM procurement policy shall apply.

3. FORMS OF CO-OPERATION

Aiming at the implementation of the agreed activities to be listed in the Appendices hereto, the Parties have agreed on the following forms of co-operation:

- Joint studies and research to be conducted both in Ukraine and Sweden. This form of co-operation shall provide for the use of equipment and materials owned by the Ukrainien or Swedish party, including those to be imported to and exported from the customs territories of Sweden or Ukraine, respectively, on a temporary basis.
- Joint meetings and seminars on training and technology transfer to be held both in Ukraine, Sweden and other countries.
- Supply of services and equipment in the quantities and assortment as agreed in the yearly plans (Appendices) to be finalised on a mutual basis.

The Parties shall agree annually on the details of activities, lists and scope of supplies based upon the funds allocated by the Government of Sweden for the upcoming year. The agreed annual plans (PIS) shall be executed as attachments hereto.

4. OBLIGATIONS OF SSM

4.1. Technical obligations of SSM

- 4.1.1 Jointly with ZSTU experts and, if necessary, together with consultants, SSM shall evaluate Technical Specifications prepared by ZSTU for the services and/or equipment to be supplied as agreed in the PIS. The final version of the Technical Specifications must be agreed with ZSTU before placing the purchase orders or launching tenders for the said services and/or equipment.
- 4.1.2 Jointly with ZSTU experts and, if necessary, together with consultants, SSM shall select a supplier of the services and/or equipment to fully meet the requirements of the Technical Specifications described in Clause 4.1.1 above, and execute procurement. Ordering and procurement of goods and services hereunder shall be conducted in accordance with the SSM procurement system.
- 4.1.3 The selected supplier shall ensure the compliance of the services and equipment to be supplied hereunder with the European (or Ukrainian) standards and quality requirements. This must be supported by the original certificates of conformity (DIN, GOST R or TÜV (*to be commented by ZSTU*)), origin and quality and submitted by the supplier together with the relevant equipment at the time of delivery. Moreover, when required by ZSTU the selected supplier shall ensure provision of "Pattern Approval Certificates of Measuring Instruments", "Metrological Certificate" and/or other Ukrainian certificates as applicable.

4.2. Practical obligations of SSM

- 4.2.1 SSM, jointly with ZSTU shall ensure in contracts, observance of the delivery procedure as required by ZSTU.
- 4.2.2 SSM, jointly with ZSTU experts, shall ensure in contracts that the Supplier or its sub-suppliers/contractors shall be responsible for transport, insurance and customs clearance in connection with equipment deliveries on the territories of the suppliers' countries according to the terms of delivery.
- 4.2.3 SSM, jointly with ZSTU experts, shall ensure in contracts that the Supplier shall ensure observance of the procedure for acceptance of the delivered goods by their quantities and qualities at the point of final destination.
- 4.2.4 SSM, jointly with ZSTU experts, shall ensure in contracts that it shall be specifically stated in a contract that the Supplier shall ensure the warranty for the goods to be supplied hereunder, for a period of no less than 24 months from the date of delivery of the goods to ZSTU. Supplier shall also guarantee to meet all costs and risks related to the repair or return to Sweden or other

supplier's country for repair or replacement of the defective goods during the warranty period. Supplier shall return the repaired equipment or appropriate replacements DDP ZSTU site in accordance with the relevant INCOTERMS rules issued by the International Chamber of Commerce in Paris.

- 4.2.5 The training of ZSTU personnel, as applicable, shall be performed by employees of SSM or respective supplier and subcontractors/consultants, and shall be financed by SSM as specifically agreed.
- 4.2.6 SSM shall provide for all the documents necessary for ZSTU personnel to obtain their entry visas (including the multiple entry visas) to Sweden and suppliers' countries for the purposes of implementation hereof.
- 4.2.7 SSM shall provide for transport, accommodation, meals, appropriate insurance, emergency medical attention, and facilities for work during the period of the ZSTU personnel stay in Sweden or suppliers' countries for the purposes of implementation hereof.
- 4.2.8 SSM shall, as necessary, provide a qualified and competent interpreter during meetings and study tours in Sweden or any other country for the purposes of implementation hereof.
- 4.2.9 SSM or supplier shall be responsible for the protection and safety of ZSTU personnel during their visits at SSM or supplier premises for the purposes of implementation hereof.
- 4.2.10 Radiation doses to ZSTU personnel shall be kept as low as reasonably achievable. The upper level for the maximum values shall be according to Swedish rules. The Swedish hosting company shall as applicable supply a dose record for involved personnel after the work on-site. This shall be applied for each visit if work in controlled zone is planned.

5. OBLIGATIONS OF ZSTU

5.1. Technical obligations of ZSTU

- 5.1.1 Jointly with SSM or their subcontractors' experts, ZSTU shall prepare Technical Specifications for the services and/or equipment to be supplied as agreed in the annual plans, PIS. The final version of the Technical Specifications must be agreed between ZSTU and SSM before placing the purchase orders or launching tenders for the said services and/or equipment. ZSTU shall also provide for agreement of Technical Specifications with appropriate supervisory and other official Ukrainian institutions, as required.
- 5.1.2. ZSTU shall ensure access by SSM experts to the design information necessary for the installation and use of the delivered equipment, its field operation and in-situ configuration, as well as for the performance of civil works, if required.
- 5.1.3 Jointly with the selected supplier, ZSTU shall be responsible for meeting all safety requirements as well as for issues related to licensing in Ukraine. If necessary, ZSTU, jointly with the supplier, shall agree the on-site use of the

equipment to be supplied hereunder with appropriate Ukrainian safety authorities as well as research, engineering and design institutes.

- 5.1.4 ZSTU shall be responsible for co-ordination of all the works hereunder as well as for compatibility of the improvements with the existing systems and structures and other improvements intended to be carried out at ZSTU.
- 5.1.5 ZSTU shall ensure the availability of design solutions necessary for the installation of the delivered equipment, its configuration, start-up and commissioning, as well as performance of civil works, if required.

5.2. Practical obligations of ZSTU

- 5.2.1 ZSTU shall ensure completion of customs formalities on the territory of the Republic of Ukraine for the equipment to be supplied hereunder.
- 5.2.2 ZSTU shall ensure observance of the procedure for acceptance of the delivered equipment by their quantities and qualities at the point of final destination.
- 5.2.3 ZSTU shall guarantee the safety of the delivered equipment during on-site storage, installation, configuration, start-up and commissioning. If required, ZSTU shall arrange appropriate risk insurance of the delivered equipment.
- 5.2.4 ZSTU shall ensure timely sending of its specialists to participate in the work on the territory of Sweden or any other country for the purposes of implementation hereof.
- 5.2.5 ZSTU shall provide a qualified and competent English/Ukrainian interpreter during meetings and other work in Ukraine for the purposes of implementation hereof.
- 5.2.6 ZSTU shall provide all translation from Ukrainian into English and vice versa necessary for performing the hereby agreed projects as required by SSM or its subcontractors. All communication relating to the co-operation hereunder shall be in the English language.
- 5.2.7 ZSTU shall be responsible for the protection and safety of SSM and their subcontractors' personnel during inspections and other work performed at ZSTU.
- 5.2.8 Radiation doses to SSM or their subcontractors' personnel shall be kept as low as reasonably achievable. The upper level for the maximum values shall be according to Ukrainian rules. ZSTU shall supply a dose record for involved personnel after the work on-site. This shall be applied for each visit at ZSTU if work in controlled zone is planned.

6. DUTIES AND TAXES

The supplies and services related to the co-operation hereunder shall be fully exempted from taxes, customs duties, dues and other payments based on decisions to be made for each specific case.

The practical arrangements will take place in accordance with the Ukrainian Laws in force as of the corresponding date.

Duties and taxes on the goods and services of SSM and their subcontractors, which are payable to the Swedish Government or other authorities of Sweden, shall be paid by SSM.

7. FORCE MAJEURE

7.1 Force Majeure denotes all events where all possibilities to oppose them may only insignificantly reduce the damage caused by said events. As this takes place, the fact of maximally possible counteraction to said event, which does not jeopardise man's life, must be established. Such Force Majeure events may include, but are not restricted to, floods, fires, earthquakes or other acts of God as well as wars, military operations, blockades, export or import embargoes, acts and activities of respective governmental authorities in the countries of ZSTU, SSM and their subcontractors, and other events which occur beyond the Parties' reasonable control. Neither SSM nor ZSTU shall be liable for violation of their obligations in the cases when said violation is caused by events listed herein above.

7.2. The prevented Party shall immediately inform the other Party of the nature and the beginning and the envisaged end of the Force Majeure circumstances preventing the implementation of the Agreement.

7.3. Throughout the period of Force Majeure, the obligations of SSM and ZSTU for the non-fulfilment of the Agreement in due time shall not be applied. Delivery time and other contractual conditions as affected by such circumstances shall be adapted to reflect the consequences of such events.

8. CONFIDENTIALITY

8.1. The Parties will advise each other on any information that shall be treated as confidential pursuant to this Agreement.

8.2. The Parties are committed to protect any information that has been identified as confidential. Such information will not be published or transmitted to any third party without prior written agreement to be obtained by the transmitting Party.

8.3. Each Party agrees to use the Confidential Information only for the proper fulfilment of its obligations and undertakings hereunder, and not to use such

information for any other purpose without the prior written approval of the other Party.

8.4. This obligation shall no longer apply:

- a. where the content of the data, knowledge, pre-existing know-how and documents becomes publicity available through work or actions lawfully performed outside this Agreement and not based on activities under it;
- b. where the content of the data, knowledge, pre-existing know-how and documents have been communicated without any confidentiality restrictions or where the Party communicating them subsequently waives their confidentiality.

9. INTELLECTUAL PROPERTY

9.1. Without prejudice to the provisions of this Agreement, the Parties shall jointly and effectively protect intellectual property in accordance with the Parties' laws and concluded international agreements which the Parties have undertaken to comply with.

10. LIABILITY

10.1. Each Party takes charge of the insurance coverage for its own personnel in accordance with the applicable legal requirements in the field of workmen's compensation and professional diseases. Consequently, each Party proceeds to the required formalities and bears, if any, all costs associated with insurance cover for its own staff against the above mentioned risks.

10.2. SSM may not under any circumstances or for any reason whatsoever be held liable for damage sustained by ZSTU or by ZSTU staff during the performance of this Agreement. ZSTU shall be directly responsible for making compensation thereof and shall keep SSM free from any claim for compensation.

10.3. ZSTU shall be exclusively liable for any damage caused to third parties arising out of the performance of this Agreement. Consequently, ZSTU shall be directly responsible for making compensation thereof and shall keep SSM free from any claim for compensation.

11. LANGUAGE

11.1 This Agreement provides for an equal use of two languages, English and Ukrainian. Should there be any disagreements due to translation, the English version will prevail. All correspondence between the Parties hereto and documentation to be prepared for the purposes of or in relation to this Agreement shall be in English.

12. VALIDITY

This Agreement will enter into force on the day it has been duly signed by the Parties. It will remain in force through the end of the year 2014 unless terminated before that by mutual consent or by one Party terminating the Agreement by giving three months' written notice to the other Party. Project Financing Agreements (PFA) and other project related agreements entered into prior to the termination, will not be affected by termination of the Agreement.

This Agreement may be terminated upon mutual consent thereupon of both Parties hereto or upon the termination of funding on the part of the Government of Sweden.

Should this Agreement be terminated, neither Party shall be discharged from any obligation or liability hereunder to the other Party, incurred prior to the date of termination unless otherwise agreed in writing.

Any disagreement concerning the interpretation of individual provisions of this Agreement, or its implementation, shall be resolved through consultations between the Parties.

13. REQUISITES OF THE PARTIES

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Rector of ZSTU, Professor Petro Melnychuk

Project Manager:

Dr. Mykhailo Vinichuk, Department of Ecology, Mykhailo.Vinichuk@slu.se.

Either Party shall notify the other Party on any changes in the addresses given above.

Either Party shall designate official persons responsible for implementation hereof and inform the other party within 10 days of the signature date of this Agreement.

This Agreement has been executed in two (2) identical copies in English. Each copy shall be deemed to be an original.

Signatures of authorised representatives of the parties hereto:

For Swedish Radiation Safety Authority, SSM

Date: 2012-06-27



Ann-Louise Eksborg FREDRIK HASSÖL
Актив Director General

For Zhytomyr State Technological University, ZSTU

Date:



Petro Melnychuk
Rector