PARTNERSHIP AGREEMENT No. 4
“Join Opportunities of INclusion in eU Society through SPORT and Music!”
2015-1-IT02-KA201-014884

Istituto Comprensivo “Pietro Egidi”
Public Body
80022130563
Piazza Gustavo VI Adolfo
01100 Viterbo (Italy)

Being Coordinator (hereinafter referred to as "the Coordinator") of the “Join Opportunities of INclusion in eU Society through SPORT and Music!” project, granted by the Italian National Agency “INDIRE” ID 2015-1-IT02-KA201-014884 represented for the purposes of signature of this Agreement by Loretta Bucciotti, Headmistress and legal representative, on the one part,

and

Základná škola
Public School
037811983
Komenského 10, Turany 03853 (Slovakia)
VAT number – not applicable
931737187

hereinafter referred to as “the partner”, represented for the purposes of signature of this Agreement by Headmistress Melánia Klučiarovská on the other part,

HAVE AGREED:

to the Special Conditions (hereinafter referred to as “the Special Conditions”) Part I, the General Conditions (hereinafter referred to as “the General Conditions”) Part II and the following Annexes:
- Annex I (Description of the Project – Application form, Italian Version and translated version in English language)
- Annex II (Estimated budget)
- Annex III (Financial and contractual rules) which form an integral part of this Agreement, hereinafter referred to as "the Agreement".
The terms set out in the Special Conditions shall take precedence over those set out in the General Conditions.

The terms set out in the Special Conditions and in the General Conditions shall take precedence over those set out in the Annexes.

The terms set in Annex III shall take precedence over those set out in the other Annexes.

The terms set in Annex II shall take precedence over those set in Annex I.
PART I - SPECIAL CONDITIONS

ARTICLE 1 – SUBJECT MATTER OF THE AGREEMENT

The Italian NA has decided to award a grant, for the Project entitled JOIN “Join Opportunities of INclusion in eU Society through SPORT and Music!” (“the Project”) under the Erasmus+ Programme, Key Action 2: Strategic Partnerships Cross sectorial project 201, as described in Annex I.

With the signature of the Agreement, the partner agree to implement the whole Project and in particular those actions who will be assigned by the coordinator, acting on its own responsibility.

ARTICLE 2 – ENTRY INTO FORCE OF THE AGREEMENT AND DURATION

The Agreement shall enter into force on the date on which the last party signs.

The Project shall run between 01/09/2015 and 31/08/2018 both inclusive.

ARTICLE 3 - MAXIMUM AMOUNT AND FORM OF THE GRANT

Maximum grant awarded

The grant shall be of a maximum amount of EUR 57,384,00 and shall take the form of unit contributions and reimbursement of eligible costs actually incurred in accordance with the following provisions:

(a) eligible costs as specified in Article II.16;
(b) estimated budget as specified in Annex II;
(c) financial rules as specified in Annex III.

The financial responsibility of the partner is limited to the amount transferred by the Coordinator to the partner.

The maximum amount transferable, in form of services provided and/or cash flow, according to provisions stated in the following articles, is EUR 56,234,00 considering that the Italian coordinator paid for expenses of no.2 participant from the partner for the first transnational project meeting in Italy (25-28 October 2015).

Budget transfers without amendment

Adjustments to the estimated budget set out in Annex II by transfers between the different budget categories can be allowed only after the explicit coordinator approval, provided that the following rules are respected, according to the Erasmus plus accountancy rules:

(a) The beneficiaries are allowed to transfer up to 20% of the total funds granted for the
project and allocated for Project management and implementation, Transnational Project Meetings, Intellectual Outputs, Multiplier Events, Learning/teaching/training activities and Exceptional costs to any other budget category with the exception of the budget categories Project management and implementation and Exceptional costs.

(b) Any budget transfer shall result in an increase of maximum 20% of the total amount awarded to that budget category as specified in Annex II.

(c) The beneficiaries are allowed to transfer funds allocated for any budget category to the budget category Special needs support, even if no funds are allocated for Special needs support as specified in Annex II. In such case the maximum increase of 20% of the budget category Special needs support shall not apply.

(d) By derogation to point (a) of the present Article, the beneficiaries are allowed to transfer funds allocated for any budget category except Special needs support to the budget category Exceptional costs in order to contribute to the costs of a financial guarantee in so far as required by the NA in Article I.4.1 and even if no funds are allocated for Exceptional costs as specified in Annex II. In such case the maximum increase of 20% of the budget category Exceptional costs shall not apply.

To start the budget transfer procedure, the partner shall submit a budget transfer request to the coordinator. The request will include detailed description of reasons for which the transfer is needed and the amount to be transferred. Within 30 days from the request, the coordinator, after having contacted the NA if needed, will send to the partner an explicit approval or denial of the request: in case of denial, reasons have to be explained.

**ARTICLE 4 – REPORTING AND PAYMENT ARRANGEMENTS**

Being a 3 years long project, the Italian NA should transfer funds to the coordinator according to the following schedule:

- 40% as prefinancing payment
- 40% as mid-payment on the 28th February 2017
- 20% after having validated the Final Report.

The coordinator is not responsible, in any case, for payment delays from the NA and cannot anticipate any funds from its own budget for payments to partners. This provision does not apply to expenses paid for the first transnational project meeting held in Viterbo, Italy, from 25th to 28th October 2015.

The following budget items, as described in Annex II, will be transferred to the partner from the coordinator, within 30 days from the reception of the 40-40-20 payments by the NA:

- Project management and Implementation
- Transnational project meetings
- Intellectual Outputs
- Travels
- Individual supports

In particular, the coordinator shall pay the partner within 30 days following the receipt of prefinancing payment from the NA the 40% of the above mentioned items. The same applies
to the mid-payment and balance payment, following the approval of the interim and final reports sent by the partner as stated in the following paragraphs.

For all budget items, the following budget documents have to be submitted to the Coordinator for the expenses to be considerer eligible, according to Italian accountancy rules:
- Proof that the expense claimed is directly connected to the project. For each expense, please provide an explanation in English.
- Copy of the bank transfer receipt (each payment for amounts over EUR 200,00 has to be done by bank transfer)

In particular, the following documents have to be submitted under each budget item:

- For Project Management and Implementation:
  - Invoices
  - Receipts
  - Human Resources (contracts)
  - In case of subcontracting – only after explicit approval and in case no other option can be pursued – contract
- Intellectual outputs
  - time sheet per person, identifying the name of the person (dates and total number of days of work);
  - proof of the nature of the relationship between the person and the beneficiary concerned (such as type of employment contract, voluntary work, etc.)
- Transnational project meetings, Travels and Individual Supports
  - If booked through travel agency: proof of the public comparative procedure for selection of the travel agency (proof of economicity of the choice)
  - All boarding cards
  - Receipt/invoice of the hotel (one separate for each teacher, one cumulative for students)
  - Receipt/invoice for the meals (one separate for each teacher, one cumulative for students)
  - All tickets validated for local transports (i.e. train or bus from/to the airport) or invoice in case of private transport. Private cars (i.e. fuel) cannot be reimbursed.

For each activity, an attendance register and a final minute of the meeting (with name, surname, role of the participant and signature) have to be done. Pictures, videos and other kinds of proof the activity has been done are welcome.

**Interim reports and mid-payment**

Each 3 months from the start of the project until its end, and anyway every time required by the coordinator in written form, emails being included, the partner shall send a progress report to the coordinator on the implementation of the Project, covering the reporting period from the beginning of the implementation of the Project specified in Article I.2.2 to the date when the report is sent.

Interim report has to be sent to the coordinator by the 01st January 2017.

The partner shall certify that the information provided in the interim report is full, reliable and true. For payment to be done, the partner must certify that the costs incurred until that
moment can be considered eligible in accordance with the Agreement and must attach to the report all adequate supporting documents (receipts, invoices, contracts, boarding cards etc, as described in Article II.20) that could be asked to the Coordinator in the context of the checks or audits.

Following approval of the interim report by the coordinator and check of the supporting documents, the Coordinator shall pay to the partner the further 40% financing payment within 30 working days after the receipt of the mid-payment by the Italian NA.

**Final report and request for payment of the balance**

Each 3 months from the start of the project until its end, and anyway every time required by the coordinator in written form, emails being included, the partner shall send a progress report to the coordinator on the implementation of the Project, covering the reporting period from the beginning of the implementation of the Project specified in Article I.2.2 to the date when the report is sent.

Final report has to be sent to the Coordinator within 30 days from the end of the project. According to Erasmus plus rules, all project results will have to be uploaded in VALOR. The report must contain the information needed to justify the contribution requested on the basis of unit contributions where the grant takes the form of the reimbursement of unit contribution or the eligible costs actually incurred in accordance with Article II.16 and Annex III.

The partner shall certify that the information provided in the final report is full, reliable and true. For payment to be done, the partner must certify that the costs incurred can be considered eligible in accordance with the Agreement and must attach to the report all adequate supporting documents (receipts, invoices, contracts, boarding cards etc, as described in Article II.20) that could be asked to the Coordinator in the context of the checks or audits.

**Payment of the balance**

The payment of the balance, which may not be repeated, is intended to reimburse or cover after the end of the period set out in Article I.2.2 the remaining part of the eligible costs incurred by the beneficiaries for its implementation.

Following approval of the final report by the coordinator and check of the supporting documents, the Coordinator shall pay the balance to the partner within 30 working days after the receipt of the balance by the Italian NA.

This amount shall be determined following approval of the general project final report by the Italian NA. Approval of the final report shall not imply recognition of the regularity or of the authenticity, completeness and correctness of the declarations and information it contains.

The amount due as the balance shall be determined by deducting, from the final amount of the grant determined in accordance with Article II.18, the total amount of pre-financing and interim payments already made. Where the total amount of earlier payments is greater than the final amount of the grant determined in accordance with Article II.18, the payment of the balance may take the form of a recovery as provided for by Article II.19.
Non – submission of documents

Where the partner has failed to submit an interim report due or final report accompanied by the documents referred to above, the Coordinator shall send a formal reminder within 15 calendar days of the deadline. If the partner still fails to submit such a request within 30 calendar days following this reminder, the Coordinator reserves the right to terminate the Agreement in accordance with Article II.15.2.1(b), and request the reimbursement of the full amount of pre-financing payments in accordance with Article II.19.

Conversion of costs incurred in another currency into euro

By way of derogation to Article II.17.6., any conversion into euro of costs incurred in other currencies shall be made by the beneficiaries at the daily exchange rate established by the European Central Bank and published on its website applicable on the day when the agreement is signed by the last of the two parties. Bank account charges cannot be considered, in any case, eligible costs under the Erasmus plus grants.

ARTICLE 5 – BANK ACCOUNT FOR PAYMENTS

All payments shall be made to the partner’s bank account as indicated below:

Name of the bank : VUB  
Address of the bank: Martin, M.R. Štefánika 2  
Name of the account holder: Základná škola Turany  
Account number: 3425594151  
IBAN code: SK53 0200 0000 0034 2559 4151

ARTICLE 6 - DATA CONTROLLER AND COMMUNICATION DETAILS OF THE PARTIES

Data controller

The entity acting as a data controller according to Article II.6 shall be the Coordinator, Istituto Comprensivo “Pietro Egidì”.

Communication details of the Coordinator

Any formal communication addressed to the Coordinator shall be sent by the partner to the following address:

Istituto Comprensivo Pietro Egidì  
Piazza Gustavo VI Adolfo  
01100 Viterbo  
E-mail address: vtic83100n@pec.istruzione.it

All management and informal communication can be sent to: europroject.icegidi@gmail.com
Any communication from the Coordinator to the partner shall be sent to the partner at the following address:

School address:
Základná škola
Komenského 10
038 53 Turany

zsturany@centrum.sk

All management and informal communication can be sent to: MHRnciarova@seznam.cz

ARTICLE 7 – PROTECTION AND SAFETY OF PARTICIPANTS

The partner shall have in place effective procedures and arrangements to provide for the safety and protection of the participants in the Project, in particular under 18 age participants.

The beneficiaries shall ensure that insurance coverage is provided to participants involved in mobility activities abroad.

ARTICLE 8 - APPLICABLE LAW AND SETTLEMENT OF DISPUTES

The Agreement is governed by the Coordinator’s law, namely Italian law.

All disputes have to be reported to the Coordinator and Partner National Agencies before taking any other action.

The competent court determined in accordance with the applicable national law shall have sole jurisdiction to hear any dispute between the Coordinator and the partner concerning the interpretation, application or validity of this Agreement, if such dispute cannot be settled amicably.

ARTICLE 9 – ADDITIONAL PROVISIONS ON USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

In addition to the provision of Article II.8.3, educational materials produced under the scope of the Project shall be made available through the Internet, free of charge and under open licenses.

ARTICLE 10 – ADDITIONAL PROVISIONS ON SUBCONTRACTING

By way of derogation to the provisions set out in Article II.10, the beneficiaries shall not subcontract any activities funded from the budget category Intellectual outputs.

By way of derogation, the provisions set out in points (c) and (d) of Article II.10.2 shall not apply to any of the budget categories except Exceptional costs.
ARTICLE 11 – PARENTAL/GUARDIAN CONSENT (to be applied only to schools)

The partner shall obtain the Parental/Guardian consent for participants of minor age prior to their participation in any mobility activity according to the Partner Country law.

ARTICLE 12 – TASKS OF THE PARTNER AS AGREED DURING THE 1st TRANSNATIONAL PROJECT MEETING

The Partner “Základná škola” will act as direct responsible for organization of C2 (Blended Mobility of Pupils), thus being in charge of the logistics and organization of the learning event; will host the Transnational Project Meeting no.6 thus being in charge of the logistics and organization of the meeting; will act as co-responsible with Italian coordinator for submission and analysis of Intellectual Output no. 3 (Say it loud, students have the floor!); will be in charge of the creation of Active Council for Inclusive Education in home town/region; will experiments all Intellectual Outputs and follow the indications sent by the leading partner for the specific IO.

SIGNATURES

For the coordinator For the partner
Loretta Bucciotti, Headmistress Melánia Klučiarovská, Headmistress

[signature] [signature]

Done at Viterbo, 26/10/2015 Done at Turany, 30/10/2015
PART II
GENERAL CONDITIONS

PART A – LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 – GENERAL OBLIGATIONS AND ROLES OF THE BENEFICIARIES

II.1.1 General obligations and role of the partner

The partner shall:

(a) be jointly and severally responsible for carrying out the Project in accordance with the terms and conditions of the Agreement and its Annexes;

(b) be responsible for complying with any legal obligations incumbent jointly with the Coordinator or individually;

(c) make appropriate internal arrangements for the proper implementation of the Project, consistent with the provisions of this Agreement and its Annexes;

II.1.2 General obligations and role of the partner

Each partner shall:

(a) inform the coordinator immediately of any change likely to affect or delay the implementation of the Project of which the partner is aware;

(b) inform the coordinator immediately of any change in its legal, financial, technical, organisational or ownership situation and of any change in its name, address or legal representative;

(c) submit in due time to the coordinator:

(i) the data needed to draw up the reports, financial statements and other documents provided for in the Agreement;

(ii) all the necessary documents in the event of audits, checks, evaluation and monitoring in accordance with Articles II.20 and II.21.

II.1.3 General obligations and role of the coordinator

The coordinator shall:

(a) monitor that the Project is implemented in accordance with the Agreement;

(b) be the intermediary for all communications between the partner and the NA, in particular, the coordinator shall:
(i) immediately provide the NA with the information related to any change in the name, address, legal representative as well as in the legal, financial, technical, organisational or ownership situation of any of the beneficiaries, or to any event likely to affect or delay the implementation of the Project, of which the coordinator is aware;

(ii) bear responsibility for supplying all documents and information to the NA which may be required under the Agreement: where information is required from the other beneficiaries, the coordinator shall bear responsibility for obtaining and verifying this information before passing it on to the NA;

(c) establish the requests for payment in accordance with the Agreement;

(d) make all payments the other beneficiaries by bank transfer and keep appropriate evidence of the amounts transferred to each beneficiary for any checks and audits as referred to in Article II.20.

(e) bear responsibility for providing all the necessary documents in the event of checks and audits initiated before the payment of the balance, and in the event of evaluation in accordance with Articles II.20 and II.21.

ARTICLE II.2 – COMMUNICATIONS BETWEEN THE PARTIES

II.2.1 Form and means of communications

Any communication relating to the Agreement or to its implementation shall be made in writing (in paper or electronic form), shall bear the number of the Agreement and shall be made using the communication details identified in Article I.6.

Electronic communications shall be confirmed by an original signed paper version of that communication if requested by any of the parties provided that this request is submitted without unjustified delay. The sender shall send the original signed paper version without unjustified delay.

Formal notifications shall be made by registered mail with return receipt or equivalent, or by equivalent electronic means.

ARTICLE II.3 – LIABILITY FOR DAMAGES

II.3.1 Except in cases of force majeure, the partner shall compensate the Coordinator for any damage sustained by them as a result of the implementation of the Project or because the Project was not implemented or implemented poorly, partially or late.

ARTICLE II.4 - CONFLICT OF INTERESTS

II.4.1 The partner shall take all necessary measures to prevent any situation where the
impartial and objective implementation of the Agreement is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ("conflict of interests").

II.4.2 Any situation constituting or likely to lead to a conflict of interests during the implementation of the Agreement shall be notified to the Coordinator, in writing, without delay. The partner shall immediately take all the necessary steps to rectify this situation. The Coordinator reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken within a specified deadline.

ARTICLE II.5 – CONFIDENTIALITY

II.5.1 The Coordinator and the partner shall preserve the confidentiality of any information and documents, in any form, which are disclosed in writing or orally in relation to the implementation of the Agreement and which are explicitly indicated in writing as confidential.

II.5.2 The partner shall not use confidential information and documents for any reason other than fulfilling their obligations under the Agreement, unless otherwise agreed with the Coordinator in writing.

II.5.3 The Coordinator and the beneficiaries shall be bound by the obligations referred to in Articles II.5.1 and II.5.2 during the implementation of the Agreement and for a period of five years starting from the payment of the balance, unless:

(a) the party concerned agrees to release the other party from the confidentiality obligations earlier;

(b) the confidential information becomes public through other means than in breach of the confidentiality obligation through disclosure by the party bound by that obligation;

(c) the disclosure of the confidential information is required by law.

ARTICLE II.6 – PROCESSING OF PERSONAL DATA

II.6.1 Processing of personal data by the NA and the Commission

Any personal data included in the Agreement shall be processed by the Coordinator according to the provisions laid down in national law.

Such data shall be processed by the data controller identified in Article 6, Part I, solely for the purposes of the implementation, management and monitoring of the Agreement, without prejudice to possible transmission to the bodies charged with the monitoring or inspection tasks in application of national law applicable to the Agreement.

The partner shall have the right of access to his/her personal data and the right to rectify any
such data. Should the beneficiaries have any queries concerning the processing of his/her personal data, he/she shall address them to the data controller, identified in Article 6, Part I.

II.6.2 Processing of personal data by the beneficiaries

Where the Agreement requires the processing of personal data by the partner, the partner may act only under the supervision of the data controller identified in Article 6, Part I, in particular with regard to the purpose of the processing, the categories of data which may be processed, the recipients of the data and the means by which the data subject may exercise his or her rights.

The access to data that the partner grants to their personnel shall be limited to the extent strictly necessary for the implementation, management and monitoring of the Agreement.

The partner undertakes to adopt appropriate technical and organisational security measures having regard to the risks inherent in the processing and to the nature of the personal data concerned, in order to:

(a) prevent any unauthorised person from gaining access to computer systems processing personal data, and especially:

   (i) unauthorised reading, copying, alteration or removal of storage media;

   (ii) unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored personal data;

   (iii) unauthorised persons from using data-processing systems by means of data transmission facilities;

(b) ensure that authorised users of a data-processing system can access only the personal data to which their access right refers;

(c) record which personal data have been communicated, when and to whom;

(d) ensure that, during communication of personal data and transport of storage media, the data cannot be read, copied or erased without authorisation;

(e) design its organisational structure in such a way that it meets data protection requirements.

ARTICLE II.7 – VISIBILITY OF UNION FUNDING

II.7.1 Information on Union funding and use of European Union emblem

Any communication or publication related to the Project, made by the partner, including at conferences, seminars or in any information or promotional materials (such as brochures, leaflets, posters, presentations, etc.), shall indicate that the Project has received funding from the Union and shall display the European Union emblem. [http://ec.europa.eu/dgs/education_culture/publ/graphics/identity_en.htm](http://ec.europa.eu/dgs/education_culture/publ/graphics/identity_en.htm)
II.7.2 Disclaimers excluding NA and Commission responsibility

Any communication or publication related to the Project made by the beneficiaries jointly or individually in any form and using any means, shall indicate that it reflects only the author's view and that the Italian NA and the Commission are not responsible for any use that may be made of the information it contains.

ARTICLE II.8 – PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

II.8.1 Ownership of the results
Ownership of the results of the Project, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be vested jointly in the Coordinator and partner.

ARTICLE II.9 – AWARD OF CONTRACTS NECESSARY FOR THE IMPLEMENTATION OF THE PROJECT

II.9.1 Where the implementation of the Project requires the procurement of goods, works or services, the partner shall award the contract to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, the partner shall avoid any conflict of interests.

II.9.2 The partner shall retain sole responsibility for carrying out the Project and for compliance with the provisions of the Agreement. The partner shall ensure that any procurement contract contains provisions stipulating that the contractor has no rights vis-à-vis the Coordinator.

II.9.3. The beneficiaries shall ensure that the conditions applicable to them under Articles II.3, II.4, II.5, II.8, II.20 and II.21. are also applicable to the contractor.

ARTICLE II.10 – SUBCONTRACTING OF TASKS FORMING PART OF THE PROJECT

II.10.1 A "subcontract" is a procurement contract within the meaning of Article II.9, which covers the implementation by a third party of tasks forming part of the Project as described in Annex I.

II.10.2 Partner may subcontract tasks forming part of the Project, provided that, in addition to the conditions specified in Article II.9 and the Part I, the following conditions are complied with:
(a) subcontracting only covers the implementation of a limited part of the Project;

(b) recourse to subcontracting is justified having regard to the nature of the Project and what is necessary for its implementation;

(c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget set out in Annex II;

(d) any recourse to subcontracting, if not provided for in Annex I, is communicated to the coordinator and approved by the Italian NA without prejudice to Article II.11.2;

(e) the partner ensure that the conditions applicable to itself under Article II.7 are also applicable to the subcontractor.

**ARTICLE II.11 – AMENDMENTS TO THE AGREEMENT**

II.11.1 Any amendment to this Agreement shall be made in writing.

II.11.2 An amendment may not have the purpose or the effect of making changes to the Agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants.

II.11.3 Any request for amendment shall be duly justified and shall be sent to the other party in due time before it is due to take effect, and in any case one month before the end of the period set out in Article I.2.2.

II.11.4 Amendments shall enter into force on the date on which the last party signs or on the date of approval of the request for amendment.

Amendments shall take effect on a date agreed by the parties or, in the absence of such an agreed date, on the date on which the amendment enters into force.

**ARTICLE II.13 – FORCE MAJEURE**

II.13.1 "Force majeure" shall mean any unforeseeable exceptional situation or event beyond the parties' control, which prevents either of them from fulfilling any of their obligations under the Agreement, which was not attributable to error or negligence on their part or on the part of subcontractors, affiliated entities or third parties involved in the implementation and which proves to be inevitable in spite of exercising all due diligence. Any default of a service, defect in equipment or material or delays in making them available, unless they stem directly from a relevant case of force majeure, as well as labour disputes, strikes or financial difficulties cannot be invoked as force majeure.

II.13.2 A party faced with force majeure shall formally notify the other party without delay, stating the nature, likely duration and foreseeable effects.
II.13.3 The parties shall take the necessary measures to limit any damage due to force majeure. They shall do their best to resume the implementation of the Project as soon as possible.

II.13.4 The party faced with force majeure shall not be held to be in breach of its obligations under the Agreement if it has been prevented from fulfilling them by force majeure.

ARTICLE II.15 – TERMINATION OF THE AGREEMENT

II.15.1 Termination of the Agreement by the partner

In duly justified cases, the partner may terminate the Agreement by formally notifying the Coordinator thereof, stating clearly the reasons and specifying the date on which the termination shall take effect. The notification shall be sent before the termination is due to take effect.

If no reasons are given or if the Coordinator considers that the reasons exposed cannot justify the termination, it shall formally notify the partner, specifying the grounds thereof, and the Agreement shall be deemed to have been terminated improperly, with the consequences set out in the fourth subparagraph of Article II.15.4.

II.15.2 Termination of the Agreement or the participation of one or more beneficiaries by the Coordinator

II.15.2.1 The Coordinator may decide to terminate the Agreement or the participation of the partner, in the following circumstances:

(a) if the partner does not implement the Project as specified in Annex I or if a beneficiary fails to comply with another substantial obligation incumbent on it under the terms of the Agreement;

(b) if the partner is declared bankrupt, is being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of any other similar proceedings concerning those matters, or is in an analogous situation arising from a similar procedure provided for in national legislation or regulations;

(c) if the partner or any related person, as defined in the second subparagraph, has been found guilty of professional misconduct proven by any means;

(d) if the parnter is not in compliance with its obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it is established or in which the Project is implemented;

(e) if the Coordinator has evidence that the partner or any related person, as defined in the second subparagraph, have committed fraud, corruption, or
are involved in a criminal organisation, money laundering or any other illegal activity detrimental to the Union's financial interests;

(f) if the Coordinator has evidence that the partner or any related person, as defined in the second subparagraph, have committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the Agreement, including in the event of submission of false information or failure to submit required information in order to obtain the grant provided for in the Agreement;

For the purposes of points above, "any related person" shall mean any natural person who has the power to represent the beneficiary or to take decisions on its behalf.

II.15.2.2 Before terminating the Agreement, the Coordinator shall formally notify the partner of its intention to terminate, specifying the reasons thereof and inviting the partner, within 15 calendar days from receipt of the notification, to submit observations. If, after examination of the observations submitted by the partner, the Coordinator decides to stop the termination procedure, it shall formally notify the partner thereof.

If no observations have been submitted or if, despite the observations submitted by the partner, the Coordinator decides to pursue the termination procedure, it may terminate the Agreement by formally notifying the partner thereof, specifying the reasons for the termination.

II.15.4 Effects of termination

Where the Agreement is terminated, payments by the Coordinator will terminate. After careful analysis of all support documents produced by the partner and in case of positive eligibility result, payments can be limited to the amount determined in accordance with Article II.18 on the basis of the eligible costs incurred by the partner and the actual level of implementation of the Project on the date when the termination takes effect. Costs relating to current commitments, which are not due for execution until after the termination, shall not be taken into account. The partner shall have 15 calendar days from the date when the termination of the Agreement takes effect, to produce a request for payment of the balance. If no request for payment of the balance is received within this time limit, the Coordinator shall not reimburse or cover any costs which are not included or which are not justified in the interim or final reports approved by it. In accordance with Article II.19, the Coordinator shall recover any amount already paid, if its use is not substantiated by interim or final reports.

Where the participation of a partner is terminated, the partner shall submit to the coordinator a report on the implementation of the Project and, where applicable, a financial statement covering the period from the end of the last reporting period. The documents shall be submitted in no later than 15 days after the termination. Only those costs incurred by the partner concerned up to the date when termination of its participation takes effect shall be reimbursed or covered by the grant. Costs relating to current commitments, which were not due for execution until after the termination, shall not be taken into account.
Where the Agreement or the participation of a partner is terminated improperly by the partner itself without justified reasons, the Coordinator may also reduce the grant or recover amounts unduly paid in proportion to the gravity of the failings in question and after allowing the partner to submit its observations.

PART B – FINANCIAL PROVISIONS

ARTICLE II.16 – ELIGIBLE COSTS

II.16.1 Conditions for unit contributions

Where the grant takes the form of a unit contribution, the number of units must comply with the following conditions:

(a) the units must be actually used or produced in the period set out in Article I.2.2.;

(b) the units must be necessary for implementing the Project or produced by it;

(c) the number of units must be identifiable and verifiable, in particular supported by records and documentation specified in Article II.16.2

II.16.2 Calculation of unit contributions

A. Project management and implementation

(a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of months of the project duration by the unit contribution applicable to the beneficiary, as specified in Annex III of the Agreement.

(b) Triggering event: the event that conditions the entitlement to the grant is that the beneficiary implements the activities and produces the outputs to be covered from this budget category as applied for in the grant application and as approved by the National Agency.

(c) Supporting documents: proof of activities undertaken and outputs produced will be provided in the form of a description of these activities and outputs in the final report. In addition, outputs produced will be uploaded by the coordinator in the
Dissemination Platform and, depending on their nature, available for checks and audits at the premises of the beneficiaries.

B. **Transnational project meetings**

(a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of participations by the unit contribution applicable, as specified in Annex III of the Agreement.

(b) Triggering event: the event that conditions the entitlement to the grant is that the participant has actually participated in the transnational project meeting and undertaken the reported travel.

(c) Supporting documents:

- For travel taking place between the sending organisation and the receiving organisation: proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name;

- In case of travel from a place different than place of residence of the participant and/or travel to a place different than that where the receiving organisation is located which leads to a change of distance band, the actual travel itinerary shall be supported with travel tickets or other invoices specifying the place of departure and the place of arrival.

C. **Intellectual outputs**

(a) Calculation of the grant amount: the grant amount is calculated by multiplying the number of days of work performed by the staff of the beneficiaries by the unit contribution applicable per day for the category of staff for the country in which the beneficiary concerned is established, as specified in Annex III of the Agreement.

(b) Triggering event: the event that conditions the entitlement to the grant is that the intellectual output has been produced and that it is of an acceptable quality level, as determined by the evaluation of the NA.

(c) Supporting documents:

- proof of the intellectual output produced, which will be uploaded in the Dissemination Platform and/or, depending on its nature, available for checks and audits at the premises of the beneficiaries;

- proof of the staff time invested in the production of the intellectual output in the form of a time sheet per person, identifying the name of the person, the category of staff in terms of the 4 categories specified in Annex III, the dates and the total number of days of work of the person for the production of the intellectual output;

- proof of the nature of the relationship between the person and the beneficiary concerned (such as type of employment contract, voluntary work, etc.), as registered in the official records of the beneficiary.
D. Multiplier events

(a) Calculation of the grant amount: the grant amount is calculated by multiplying the number of participants from organisations other than the beneficiary and other project partner organisations as specified in the Agreement by the unit contribution applicable per participant, as specified in Annex III of the Agreement.

(b) Triggering event: the event that conditions the entitlement to the grant is that the multiplier event has taken place and that it is of an acceptable quality level, as determined by the evaluation of the NA.

(c) Supporting documents:
- Description of the multiplier event in the final report;
- proof of attendance of the multiplier event in the form of a participants list signed by the participants specifying the name, date and place of the multiplier event, and for each participant: name, e-mail address and signature of the person, name and address of the sending organisation of the person;
- detailed agenda and any documents used or distributed at the multiplier event.

E. Learning, teaching and training activities

(a) Calculation of the grant amount: the grant amount takes the form of a unit contribution towards the travel, individual support and linguistic support. It is calculated as follows:

- Travel: the grant amount is calculated by multiplying the number of participants by the unit contribution applicable to the distance band for the travel, as specified in Annex III of the Agreement;

- Individual support: the grant amount is calculated by multiplying the number of days/months per participant, including accompanying persons staying up to 60 days, by the unit contribution applicable per day/month for the type of participant and for the host country concerned, as specified in Annex III of the Agreement. In the case of incomplete months for activities exceeding 2 months, the grant amount is calculated by multiplying the number of days of the incomplete month by 1/30 of the unit contribution per month.

(b) Triggering event:

- Travel: the triggering event for the entitlement to the grant is that the participant has actually undertaken the reported travel.

- Individual support: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity.

- Linguistic support: the triggering event for the entitlement to the grant is that the participant has undertaken an activity exceeding 2 months and that the person has actually undertaken language preparation in the language of instruction or of work.

(c) Supporting documents:
(i) Travel

- For travel taking place between the sending organisation and the receiving organisation: proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name;

- In case of travel from a place different than that where the sending organisation is located and/or travel to a place different than that where the receiving organisation is located which leads to a change of distance band, the actual travel itinerary shall be supported with travel tickets or other invoices specifying the place of departure and the place of arrival.

(ii) Individual support

- Proof of attendance of the activity in the form of a declaration signed by the receiving organisation specifying the name of the participant, the purpose of the activity, as well as its start and end date;

II.16.4 Ineligible costs

In addition to any other costs which do not fulfill the conditions set out in Articles II.16.1 and II.16.3, the following costs shall not be considered eligible:

(a) return on capital;

(b) debt and debt service charges;

(c) provisions for losses or debts;

(d) interest owed;

(e) doubtful debts;

(f) exchange losses;

(g) costs of opening and operating bank accounts (including costs of transfers from/to the Coordinator charged by the bank of the partner);

(h) costs declared by the beneficiary in the framework of another Project receiving a grant financed from the Union budget (including grants awarded by a Member State and financed from the Union budget and grants awarded by other bodies than the Commission for the purpose of implementing the Union budget); in particular, indirect costs shall not be eligible under a grant for an Project awarded to the beneficiary when it already receives an operating grant financed from the Union budget during the period in question;

(i) in the case of renting or leasing of equipment, the cost of any buy-out option at the end of the lease or rental period;
(j) contributions in kind from third parties;

(k) excessive or reckless expenditure;

(l) VAT, when is considered as recoverable under the applicable national VAT legislation.

ARTICLE II.17 –FURTHER PAYMENT ARRANGEMENTS

II.17.1 Suspension of the time limit for payment

The Coordinator may suspend the time limit for payment specified in Articles I.4.2 and I.4.4 at any time by formally notifying the partner that its request for payment cannot be met, either because it does not comply with the provisions of the Agreement, or because the appropriate supporting documents have not been produced, or because there is doubt about the eligibility of the costs declared in the interim or final reports.

The partner shall be notified as soon as possible of any such suspension, together with the reasons thereof.

Suspension shall take effect on the date when notification is sent by the Coordinator. The remaining payment period shall start to run again from the date on which the requested information or revised documents are received or the necessary further verification is carried out. Where the suspension exceeds two months, the partner may request a decision by the Coordinator on whether the suspension is to be continued.

Where the time limit for payment has been suspended following the rejection of one of the interim reports provided for by Article I.4.2 or the final report provided for by Article I.4.3 and the new report submitted is also rejected, the Coordinator reserves the right to terminate the Agreement in accordance with Article II.15.3.1(c), with the effects described in Article II.15.4.

II.17.2 Suspension of payments

The Coordinator may, at any time during the implementation of the Agreement, suspend the pre-financing payments, or payment of the balance for the partner:

(a) if the Coordinator has evidence that the partner has committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the grant, or if the partner fails to comply with its obligations under the Agreement;

(b) if the Coordinator suspects substantial errors, irregularities, fraud or breach of obligations committed by the partner in the award procedure or in the implementation of the Agreement and needs to verify whether they have actually occurred.

Before suspending payments, the Coordinator shall formally notify the partner of its intention to suspend payments, specifying the reasons thereof and, in the cases referred to in
point (a) of the first subparagraph, the necessary conditions for resuming payments. The partner shall be invited to make any observations on within 15 calendar days from receipt of this notification.

If, after examination of the observations submitted by the partner, the Coordinator decides to stop the procedure of payment suspension, the Coordinator shall formally notify the partner thereof.

If no observations have been submitted or if, despite the observations submitted by the partner, the coordinator decides to pursue the procedure of payment suspension, it may suspend payments by formally notifying the partner, specifying the reasons for the suspension and, if it is the case, the definitive conditions for resuming payments or, is it is the case, the indicative date of completion of the necessary verification.

The suspension of payments shall take effect on the date when the notification is sent by the Coordinator.

In order to resume payments, the partner shall endeavour to meet the notified conditions as soon as possible and shall inform the Coordinator of any progress made in this respect.

The Coordinator shall, as soon as it considers that the conditions for resuming payments have been met or the necessary verification has been carried out, formally notify the partner thereof.

II.17.3 Currency for requests for payments and payments

All payments by the Coordinator shall be made in euro. Where the partner keeps its general accounts in euro, it shall convert costs incurred in another currency into euro according to its usual accounting practices.

Where the partner keeps its general accounts in a currency other than the euro, it shall convert costs incurred in another currency into euro at the average of the daily exchange rates published in the C series of *Official Journal of the European Union*, determined over the corresponding reporting period. Where no daily euro exchange rate is published in the *Official Journal of the European Union* for the currency in question, conversion shall be made at the average of the monthly accounting rates established by the Commission and published on its website ([http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm)), determined over the corresponding reporting period.

II.17.4 Costs of payment transfers

Costs of the payment transfers shall be borne in the following way:

(a) costs of transfer charged by the bank of the Coordinator shall be borne by the Coordinator;

(b) costs of transfer charged by the bank of the partner shall be borne by the partner;

(c) all costs of repeated transfers caused by one of the parties shall be borne by the party
which caused the repetition of the transfer.

ARTICLE II.18 – DETERMINING THE FINAL AMOUNT OF THE GRANT

II.18.1 Calculation of the final amount

Without prejudice to Articles II.18.2, II.18.3 and II.18.4, the final amount of the grant shall be determined as follows:

(a) where, the grant takes the form of the reimbursement of eligible costs, the amount obtained by application of the reimbursement rate specified in that Article to the eligible costs of the Project approved by the NA for the corresponding categories of costs and beneficiaries;

(b) where the grant takes the form of a unit contribution, the amount obtained by multiplying the unit contribution specified that Article by the actual number of units approved by the NA for the corresponding beneficiaries;

Where Annex II provides for a combination of different forms of grant, these amounts shall be added.

II.18.2 Maximum amount

The total amount paid to the beneficiaries by the NA may in no circumstances exceed the maximum amount specified in Article I.3.1.

Where the amount determined in accordance with Article II.18.1 exceeds this maximum amount, the final amount of the grant shall be limited to the maximum amount specified in Article I.3.1

II.18.4 Reduction for poor, partial or late implementation

If the Project is not implemented or is implemented poorly, partially or late, the NA may reduce the grant initially provided for, in line with the actual implementation of the Project according to the terms laid down in Annex III. In this case, the grant for the partner will be reduced proportionally.

II.18.5 Notification of the final grant amount

The Coordinator shall inform the partner of the final grant amount no later than 15 days after the communication by the NA.

ARTICLE II.19 – RECOVERY

II.19.1 Recovery at the time of payment of the balance

The NA can decide that the payment of the balance takes the form of a recovery. In this case, the partner shall repay the Coordinator the amount in question, proportionnaly to its share of grant.
II.19.2 Recovery after payment of the balance

Before recovery, the Coordinator shall notify through a notification letter the partner of its intention to recover the amount unduly paid, specifying the amount due and the reasons for recovery and inviting the beneficiary to make any observations within 15 calendar days from the receipt of notification letter.

On the basis of the information provided, the Coordinator may decide to revise the final grant amount, and if applicable, the amount to be recovered. In this case or if no observations have been submitted or if, despite the observations submitted by the partner, the Coordinator decides to pursue the recovery procedure, the Coordinator may confirm recovery by formally notifying to the partner a debit note (“debit note”). The debit note shall specify the amount due, the terms and the date for payment.

If the partner concerned has not reimbursed the amount due by the date specified in the debit note the Coordinator shall recover the amount due by taking legal action against the partner in accordance with national law as determined in accordance with Article I.8.

ARTICLE II.20 – CHECKS AND AUDITS

II.20.1 Technical and financial checks or audits

The NA and the Commission may carry out technical and financial checks and audits in relation to the use of the grant. Checks and audits are carried out towards the Coordinator. For this reason, all documents, papers, project results, included all multimedia documents have to be sent by the partner to the Coordinator, to be available in case of checks and audits. In particular, all financial documents (receipts, invoices) and support documents as stated in Annex III have to be sent to the Coordinator: this is a preliminary condition for any payment to be made to the partner.

This right of access to information shall be granted until five years after the date of the payment of the balance of the grant or the reimbursement thereof by the partner, unless a longer duration is required by the national law.

Checks and audits may be initiated during the implementation of the Agreement and for a period of five years starting from the date of payment of the balance.

II.20.2 Duty to keep documents

The partner shall send original documents, especially accounting and tax records, to the Coordinator. The Coordinator shall keep them stored on any appropriate medium, including digitalised originals, for a period of five years starting from the date of payment of the balance.

II.20.3 Effects of findings of audit and checks

On the basis of the final findings of audits or checks, the NA may take the measures which it considers necessary, including recovery at the time of payment of the balance or after payment of the balance of all or part of the payments made by it, in accordance with Article II.19.
In the case of final findings of audits or checks made after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with Article II.18, and the total amount paid to the beneficiaries under the Agreement for the implementation of the Project.

If this happen, the Coordinator will apply the recover procedure to the partner, proportionnaly to its share of grant.