

Project Promoter Registration no.....

Registration no.

**GRANT AGREEMENT
FOR COLLABORATIVE RESEARCH PROJECTS
NO 2014-2021**

NO..... /.....

Grant (Funding source):
Programme:

**NO FM 2014-2021 and the State Budget
Research – RO 02**

Overall public funding amount:

.....Lei, out of which:
.....Lei, grant (85%)
.....Lei, national public co-funding (15%)

Own contribution:

..... Lei

Agreement term:

..... months

No. of pages of the agreement:

.....

Programme Operator

**The Executive Agency for Higher Education, Research,
Development and Innovation Funding**

Project Promoter:

.....

Signatures:

**Agreed to and accepted by
Project Promoter**

**Agreed to and accepted by
Programme Operator**

In

In Bucharest

Date.....

Date.....

Rector/General Manager,

Surname, name

Project Manager

Surname, name

General Manager,

.....,

Chief Financial Officer/Chief Accountant,

Surname, name

Chief Financial Officer,

.....

Legal Advisor,

Surname, name

ENDORSED (Programme Operator):

a) Legal Advisor

Signature: _____

Date: _____

b) Project Officer

Signature: _____

Date: _____

Note: The gray text, in italics, comprises additional explanatory notes to the agreement and it shall be removed from the final version of the agreement or replaced with the relevant information. Blank spaces (.....) shall be filled out with the project-specific information.

By and between:

.....,
headquartered at, St..... no., District, tel., fax.
021, tax Code, bank account Treasury account
....., e-mail, duly represented by and Chief Financial Officer
....., as **Programme Operator**,

and

(full name of the Project Promoter)

....., headquartered
at post code, St..... no., County
(District) tel.fax....., sole
registration codetax Code, duly represented by Rector/General
Managerand Chief Financial Officer
(Chief Accountant), as **Project Promoter**,

have concluded this Grant Agreement for the implementation of the project – code,
hereinafter referred to as the Agreement.

I. REFERENCE DOCUMENTS

- Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021, by and between the European Union and the Donor States (The Kingdom of Norway, Iceland and The Principality of Liechtenstein);
- Protocol 38c to the Agreement on the European Economic Area Financial Mechanism 2014-2021;
- Memorandum of Understanding between the Governments of Iceland, The Principality of Liechtenstein, The Kingdom of Norway and the Government of Romania on the implementation of the EEA Financial Mechanism 2014-2021;
- Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 with the relevant Annexes;
- Programme Agreement by and between the Financial Mechanism Committee (FMC) and the Ministry of European Funds as National Focal Point (NFP), laying down the terms and conditions for the implementation of the programme, as well as the roles and responsibilities of the parties;
- Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research" adopted by the Donor States in consultation with the Beneficiary State;
- Agreement on the Implementation of the Research Programme signed by and between the The Executive Agency for Higher Education, Research, Development and Innovation Funding, as Programme Operator and the Ministry of European Funds, as National Focal Point;
- The guidelines and instructions adopted by the Donor States in consultation with the Beneficiary State;

National laws:

- Government Emergency Ordinance no. 34/2017 on the financial management of foreign non-reimbursable funds falling under the European Economic Area Financial Mechanism 2014-2021 and the Norwegian Financial Mechanism 2014-2021 approved as amended by law no. 206/2017;
- Order no. 2840 of 31 October 2017 on the approval of the Enforcement Rules of the Government Emergency Ordinance no. 34/2017 on the financial management of foreign non-reimbursable funds falling under the European Economic Area Financial Mechanism 2014-2021 and the Norwegian Financial Mechanism 2014-2021 ;
- Government Emergency Ordinance no. 66/2011 on the prevention, identification and sanctioning of irregularities in the collection and use of European and/or public national funds, approved and amended by Law no. 142/2012, as further amended;
- GD no. 519/2014 on establishing the rates of the percentage deductions/financial corrections for the infringements stipulated in GEO 66/2011;
- Law no. 98/2016 on public procurements, as amended and supplemented;
- GD no. 395/2016 on the approval of the Implementing regulation of the provisions regarding the award of the sectoral agreement/framework agreement of Law no. 98/2016 on public procurements;
- Order of the Minister of Finance and Economy no. 1284/2016 on the approval of the Competitive Tender Procedure applicable to private applicants/beneficiaries for the award of EU-funded supply, services or works agreements;
- Joint Order no. 6712/890/ of 7 November 2017 on the approval of the procurement method under partnership-implemented EU-funded projects;
- GD 583/2015 on the approval of the National Plan for Research, Development and Innovation 2015-2020 (NPRDI III), as amended and supplemented;
- Law no. 500/2002 on public funding, as amended and supplemented;
- Government Ordinance no. 57/2002 on scientific research and technological development, approved by Law no. 324/2003, as amended and supplemented;
- UEFISCDI Decision no. 117/30.03.2018 on the State Aid Scheme for the funding of CD projects under the Research Programme (RO 02) funded through the EEA Financial Mechanism and the Norwegian Financial Mechanism 2014-2021;
- Law no. 182/2002 on the protection of classified information, National Standards on the protection of classified information in Romania adopted by Government Decision no. 585/2002;
- Implementation regulation regarding the protection of classified information in the field of scientific information and technological development adopted by the Order of the Minister of Education and Research no. 7079/2003;
- Law no. 206/2004 on good conduct in scientific research, technological development and innovation, as further amended and supplemented, as well as other applicable regulations;
- Government Emergency Ordinance no. 119/2010 on the control regime of dual use products and Government Emergency Ordinance no. 158/1999 on the control regime of exports, imports and other military product operations, approved by Law no. 595/2004, as further amended and supplemented;
- Law no. 227/2015 on Fiscal Code, updated;
- Law no. 82/1991, Accounting Law, updated.

II. DEFINITIONS

- **Partnership Agreement** – agreement concluded by and between the Project Promoter and the Project Partners, laying down the rights and obligations of the parties for the purpose of the implementation of the project;
- **State Aid** – any measure fulfilling all the criteria stipulated under art. 107(1) of the Treaty on the Functioning of the European Union;
- **Advance Payment** – Part of the project budget (public funding), calculated so as to cover the estimated expenses for the first implementation year of the project;
- **Basic Research** – experimental or theoretical activity mainly undertaken for the purpose of obtaining new knowledge on the observable phenomena and facts, without any direct commercial application or use;
- **Industrial Research** – planned critical research or investigation, aiming at acquiring new knowledge and expertise for the development of products, processes or services or at significantly enhancing the existing goods, processes or services. It comprises the development of complex system parts and may involve the development of prototypes in laboratories or in an environment with simulated interfaces of the existing systems, as well as the development of pilot lines, when the same is required for the industrial research and, especially, for the validation of generic technologies;
- **Programme Committee (PC)** – Committee established by the Programme Operator (PO), made up of five members, representatives of the research community, both from the Donor States (2 members) and from the Beneficiary State (3 members), chaired by a representative elected from amongst its members;
- **Call for proposals** – set of operations related to the various stages of the project proposal funding process;
- **Agreement** – the grant agreement concluded by and between the Programme Operator and the Project Promoter, regulating the implementation and funding of a specific project implemented as part of the Research Programme;
- **Principal Investigator** – a person appointed by the Project Promoter to submit the project proposal and coordinate the implementation of the project;
- **Own Contribution** – resources allotted by private law institutions, out of their own funds, in compliance with the State Aid Scheme approved for the Research Programme (RO 02);
- **Experimental Development** - the obtaining, compilation, modelling and use of relevant scientific, technological, business and other knowledge and expertise, with the purpose of developing new or enhanced goods, processes or services. It may include, for instance, activities related to the defining, planning and conceptual documentation of the new goods, processes or services;
- **Public Funding** - amount transferred to the Project Promoter from the grant awarded through the Norwegian (NO) Financial Mechanism 2014-2021(85% of the funding – grant) and from the national public co-funding (15% of the funding) according to the grant agreement;
- **Force Majeure** – an event or series of events beyond the control of the Parties, which fully or partially prevents the parties from fulfilling their obligations under the grant agreement and that the Parties could not have foreseen, prevented or overcome despite all diligence;
- **Pre-Financing Model** - project funding mechanism materialized through the transfer by the Programme Operator of both the grant and the national public co-funding, into the

- Project Promoters' accounts throughout the project implementation term, before the expenses are incurred;
- **Reimbursement Model** - project funding mechanism materialized through the transfer by the Programme Operator of the grant and of the national public co-funding, into the accounts of the Project Promoters, private organizations or with private organization partners, after the expenses are incurred and subject to the approval of such expenses by the Programme Operator;
 - **Financial Mechanism Office (FMO)** – entity established by the Donor States for the EEA Financial Mechanism and the Norwegian Financial Mechanism 2014-2021 to assist FMC/MAEN, responsible for the deployment of the current operations of the EEA Financial Mechanism and of the Norwegian Financial Mechanism 2014-2021;
 - **Programme Operator (PO)** – entity appointed under the Memoranda of Understanding signed by and between the Government of Romania and the Donor States (Iceland, The Principality of Liechtenstein, The Kingdom of Norway), for the management of the Research Programme PO 02;
 - **Donor Programme Partner (DPP)** – public entity in a Donor State appointed by FMC/MAEN in order to grant consultancy and/or participate in the preparation and/or implementation of a Programme;
 - **Project Partner (Pp)** - a natural or legal person, actively involved in and efficiently contributing to the implementation of a project. It shares with the Project Promoter (PP) a joint social and economic purpose, which is to be achieved through the implementation of the respective project;
 - **Partnership** – group made up of the Project Promoter and the Project Partners acting in compliance with the Partnership Agreement and represented by the Project Promoter;
 - **Final Payment** - share of the grant and public co-funding amount corresponding to the last year of implementation, transferred by the Programme Operator into the private entity Project Promoter's accounts, using the reimbursement model;
 - **Pre-financing (Interim Payment)** - part of the project amount transferred by the Programme Operator into the Project Promoter's accounts before the expenses are actually incurred, calculated on the basis of annual budgets and existing balances / disposable income;
 - **Programme** – set of coherent measures to be implemented through projects, with the support of the EEA Financial Mechanism and Norwegian Financial Mechanism 2014-2021 in order to achieve the set objectives and results;
 - **Project** – a series of economically-indivisible works/activities that fulfill a specific technical function, with clearly set objectives regarding the programme they fall under;
 - **Project Promoter (PP)** - research organization, as the same is defined under the EU laws on state aids for research, development and innovation (2014/C 198/01), responsible for the initiation, preparation and implementation of a project;
 - **Project Proposal** – funding application submitted with the Project Promoter under the call for Collaborative Research Projects - NO Grants 2019;
 - **National Focal Point (NFP)** – national public entity, appointed by the Beneficiary State, generally responsible for the achievement of the objectives under the EEA & NO Financial Mechanism 2014-2021, as well as for the implementation of the provisions under the Memoranda of Understanding regarding the EEA Financial Mechanism and the Norwegian Financial Mechanism 2014-2021;

- **Regulation** - Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism or of the Norwegian Financial Mechanism 2014-2021 with the relevant Annexes;
- **Donor States (DS)** – The EFTA States, respectively Norway, Iceland and Liechtenstein, granting non-reimbursable assistance to Romania, through the EEA & NO Financial Mechanisms.

III. DEADLINES

- Deadlines are set through the indication of the relevant period of time and they start lapsing as of the day following the reference date in relation to which such deadlines are determined.
- In the case of periods of time set in days, the deadline is the end of the last calendar day of the respective period.
- For periods of time set in months, the deadline shall be the end of the day having the same number as the day as of which the term started lapsing. In case the last month of a period of time set in months does not have a day with the same number as the date as of which the term started lapsing, the deadline shall be the end of the last day of the respective month.
- In case the deadline is a legal holiday, it shall be extended until the end of the following working day.

IV. SUBJECT OF THE AGREEMENT

Art. 1 The subject of this Agreement is the funding by the Programme Operator and the implementation by the Project Promoter of the Project (*project name*), corresponding to Annex I – Project Proposal, approved for funding under the *NO – Grants 2019 Call for Proposals*.

V. TERM

Art. 2 The Agreement shall come into force on the date of its execution and registration by the Programme Operator.

Art. 3 The Project Promoter shall start the execution of the activities hereunder on.....

Art. 4 The Project Promoter shall complete the activities hereunder on

Art. 5 The Agreement ceases to produce legal effects:

- as of the date when the Project Promoter fulfilled all its reporting obligations regarding the execution of the project;
- as of the date on which all the reports were approved by the Programme Operator;
- as of the reimbursement of the undue advance payment/interim payments;
- as of the recovery of the amounts regarded as non-eligible or imposed by a debt security (including interest and penalties);

- as of the date on which the Programme Operator has fulfilled all its payment obligations hereunder.

VI. AMOUNT OF THE AGREEMENT

Art. 6 The amount of the public funding granted is of *(the same as the amount entered on the first page of the agreement)* lei¹, Eur equivalent of, of which 85%.....lei (grant) and 15%.....lei (national public co-funding).

Art. 7 The overall amount of the project is of lei, including the amount of the public funding *(the same as the amount under art.6)*.....lei and the own contribution of the partners in Romania and/or the Donor States².

	Lei	Eur equivalent	InfoEuro exchange rate
(a) Total project value (a)=(b)+(c)			
(b) Public funding amount, out of which:			
<i>Grant (85%)</i>			
<i>National public co-funding (15%)</i>			
(c) Own contribution (Project Promoter/partners)			

VII. GENERAL OBLIGATIONS

Art. 8 For the implementation of the project, the Project Promoter concludes a Partnership Agreement with all Project Partners, in compliance with the relevant provisions in the Implementation Regulation, according to the template in Annex 4.

Art. 9 All contractual clauses herein also apply to the Project Partners.

Art. 10 The Programme Operator is bound to grant to the Programme Promoter, and, thus, to the Project Partners, the funding required for the implementation of the project, within the limit of the budget stipulated in art. 6.

Art. 11 The Project shall be implemented throughout its term with all diligences and in compliance with the mandatory provisions under the national and EU laws, including the regulations on competition, public procurements, state aid, as well as the provisions in the Implementing Regulation of Norwegian Financial Mechanism 2014-2021 and the related annexes and the provisions herein.

¹ The agreement amount in lei is determined according to the EU exchange rate valid in the month of signing the contract (InfoEuro).

² According to the State Aid Scheme approved by the UEFISCDI Decision no. 117/2018.

VIII. RIGHTS AND OBLIGATIONS OF THE PROJECT PROMOTER

Art. 12 The Project Promoter is responsible for the implementation of the project and is under the obligation to ensure that the project is properly implemented by all partnership members and that they fulfill all their relevant obligations for the performance of the agreement.

Art. 13 The Project Promoter carries out the activities required for the implementation of the project described in Annex 1 – Project Proposal, according to the provisions in Annex 2 - Project Implementation Plan and in Annex 3 – Budget breakdown.

Art. 14 The Project Promoter is especially, but without limitation, under the obligation to:

- 1) observe the Norwegian Financial Mechanism 2014-2021 Implementing Regulation, alongside all relevant Annexes;
- 2) observe the Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research";
- 3) observe the provisions in the call documents;
- 4) observe the provisions under the national laws in force on the financial management of non-reimbursable foreign funds falling under the framework of the Norwegian Financial Mechanism 2014-2021;
- 5) observe the provisions under the national laws in force on public tender procedures (law 98/2016 as amended and supplemented, GD no.395/2016 as amended and supplemented, Order of the Minister of Finance and Economy no. 1284/2016, Joint Order No. 6712/890/2017, etc);
- 6) observe the provisions in all decisions/instructions issued by the Programme Operator and/or the National Focal Point;
- 7) observe the provisions in the Partnership Agreement concluded with the Project Partners and represent the partnership according to the agreement, in all aspects related to the performance thereof;
- 8) ensure that the results of the funded project lead to the achievement of Program indicators;
- 9) ensure the eligibility of the expenses engaged under the project according to the provisions herein, to the documentation of the call for proposals, to the Regulation on the implementation of the Norwegian (NO) Financial Mechanism 2014-2021 and to the Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research";
- 10) make sure that the eligible expenses are properly justified with supporting documents according to the national laws in force, as well as according to the Regulation on the implementation of the Norwegian (NO) Financial Mechanism 2014-2021 and to the Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research"; The support documents will be stamped with "Financed from NO 2014-2021 funds, according to the Contractual Agreement .../....";
- 11) provide the Program Operator, at the time of verifying the annual and final reports, the requested documents regarding the expenditures incurred;

- 12) submit the advance payment application on behalf of the partnership according to the principles stipulated under Chapter XIV - Payments, as well as the reports stipulated under Chapter XII - Submission of Reports and Results;
- 13) submit with the Programme Operator the forecasts of likely payment applications corresponding to the partnership for the following implementation year up by the end of the month of July of each year;
- 14) request pre-financing (interim payments) according to the principles in Chapter XIV - Payments, as well as the reports stipulated in Chapter XII - Submission of Reports and Results;
- 15) submit with the Programme Operator a yearly estimate of the reimbursement requests, in the case of the private entity Project Promoter;
- 16) requests final payments (if any) according to the principles in Chapter XIV - Payments, as well as the reports stipulated under Chapter XII - Submission of Reports and Results;
- 17) ensure the due proper partnership cash flow (payments to partners), in compliance with the Partnership Agreement and the legal provisions;
- 18) notify in writing both the Project Partners and the Programme Operator with regards to the payment, within no more than 5 working days as of the payment date and attach the payment order and the statement of account to the respective letter;
- 19) cover, out of its own budget, the non-eligible expenditure and the exchange loss generated by the transfer of the amounts to the Donor States (if the same cannot be included in the project budget);
- 20) report on the project implementation stage according to the provisions in Chapter XII - Submission of Reports and Results;
- 21) use the amounts stipulated herein exclusively for the purpose of implementing the project described in Annex 1 – Project Proposal, according to the best business practices;
- 22) submit, upon the Programme Operator’s request, supporting data regarding the reported expenses and additional documents concerning the deployment of the project representing the subject hereof. The improper drafting thereof or the refusal to submit them may trigger the deferral or denial of the report and, implicitly, the obligation to reimburse the amounts received as advance and/or interim payments;
- 23) provide to the Programme Operator information on the project implementation status, the expenses incurred from the funding granted and the project results during the implementation thereof and over a period of 5 years as of the last payment made by the Programme Operator;
- 24) retain all documentary evidence of direct and indirect costs (as appropriate) for a period of at least 5 years after the final payment by the OP;
- 25) properly maintain the equipment against losses such as fire, theft or other incidents that may be associated with insurance policies, both during the implementation of the project and for at least 5 years after the completion of the project;
- 26) ensure, in the case of the termination of the agreement or of a decision of the Programme Operator in this respect, the full or partial reimbursement of the public funds granted,

- depending on the completion stage of the activities and on the achievement of the result indicators;
- 27) grant timely and free access for the purpose of the monitoring/audit and/or on-site verification visits carried out by the competent authorities;
 - 28) make available to the monitoring, verification, control or audit teams all the documents and information regarding the implementation of the project;
 - 29) draft, preserve and keep clear and detailed records, from a financial point of view, of the expenses incurred under the project;
 - 30) keep distinct accounts, per sources, of the projects funded according to the generally accepted accounting principles and the financial laws governing EEA and Norwegian 2014-2021 grants;
 - 31) in case it carries out business activities, to keep distinct accounts of the business and non-business activities by including in the entity's yearly financial statements (balance sheets) explanatory notes distinctly presenting such information per activities, with expenses registered according to their nature and destination and revenues registered by nature and source;
 - 32) ensure proper administrative and logistic services, required for the implementation of the project;
 - 33) immediately inform in writing the Programme Operator of any intended change to the Partnership Agreement;
 - 34) duly inform all Project Partners with regards to the possible amendments to the grant agreement and the related annexes;
 - 35) immediately inform the Programme Operator on its intention to bring legal and organizational changes to its own and its Project Partner's bylaws, which could directly influence the implementation of the project;
 - 36) disseminate and use the project results according to the Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 and to the Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research", in compliance with the Partnership Agreement;
 - 37) ensure the promotion of the project according to the information and publicity requirements in the Regulation on the implementation of the Norwegian (NO) Financial Mechanism 2014-2021 – Annex and to the EEA and Norwegian Grants 2014-2021 Communication and Design Manual and, upon the request of the Programme Operator, to support and participate in the information and publicity events organized as part of the Programme;
 - 38) take all the required and suitable measures so as to improve or modify the manner in which the project is coordinated, upon the Programme Operator's request;
 - 39) send to the Programme Operator or upload onto the electronic platforms indicated by the same and keep the requested project-related data up-to-date;

- 40) ensures that the staff involved in the project (research teams of the Project Promoter / Partners in Romania) have created and updated their scientific profile in BrainMap (www.brainmap.ro);
- 41) return unspent amounts of national public co-financing (15%) until 20 December of the current year;
- 42) keep records of the immovable assets acquired under the contract, according to the accounting legislation in force. The equipment shall receive an inventory number and shall be clearly labeled with the number of the financing contract as well as the visual identifiers specific to the Program.

Art. 15 The Project Promoter must make sure that any and all materials published or obtained and reported pursuant to the activities funded hereunder include the grant agreement number, as follows: *“The research leading to these results has received funding from the NO Grants 2014-2021, under Project contract no. XXXX”*.

Art. 16 The Project Promoter and the Project Partners must ensure *open access* (free of charge, online access for any user) to all peer-reviewed scientific publications, following the activities funded under this contract.

Art. 17 The Project Promoter and the Project Partners are bound to observe all the requirements under the State Aid Scheme for the funding of the project-specific activities, of the eligible costs and of the shares per activities subject to the obligation to reimburse the relevant amounts, according to the UEFISCDI Decision no. 117/30.03.2018 Annex State Aid Scheme for the funding of R&D projects under the Research Programme (RO 02) funded under the EEA and the Norwegian Financial Mechanisms 2014-2021;

Art. 18 The Project Promoter and the Project Promoters in Romania are bound:

- 1) in case they hold and/or use classified information, to apply the provisions on the classified information regime, according to the Law no. 182/2002 on the protection of classified information, to the National standards for the protection of classified information in Romania, adopted pursuant to the Government Decision no. 585/2002 and to the Implementation Regulation regarding the protection of classified information in the field of scientific research and technological development, adopted through the Order of the Minister of Education and Research no. 7079/2003;
- 2) to abide by the good conduct practices in scientific research, technological development and innovation stipulated under the Law no. 206/2004 on good conduct in scientific research, technological development and innovation, as further amended and supplemented, as well as other applicable regulations;
- 3) in the case of results that could bear a dual use, i.e. civilian and military, or that represent military products and might be subjected to export operations or other transactions with a third-party country, to apply the provisions under the existing laws on the control regime of operations with military or dual use products and technologies, currently regulated by the Government Emergency Ordinance no. 119/2010 on the control regime of operations with dual use products, as further amended and supplemented and Government Emergency Ordinance no. 158/1999 on the control regime of exports, imports and other operations with military products, according to the provisions in Order no. 156 of 18 January 2018 on the approval of the List of military products

- subjected to the control regime applicable to exports, imports and other operations, approved by Law no. 595/2004, as further amended and supplemented;
- 4) to record the research-development results according to art. 76 and 77 of the Government Ordinance no. 57/2002 on scientific research and technological development, approved by Law no. 324/2003, as amended and supplemented;
 - 5) to make public the project team vacancies, including on the website www.euraxess.ro.

Art. 19 The Project Promoter must provide a functional webpage for the project, in Romanian and English, during the first 6 months of the project. The data on the webpage may be used in the process for the evaluation of the project implementation stage.

Art. 20 The Programme Operator notifies the Programme Operator in writing, within 10 working days as of the occurrence of the change, including for the Project Partners, in the following cases:

- in the case of any changes in its identification or contact data;
- in case it becomes bankrupt or enters liquidation;
- in case it assigns a substantial part of its assets;
- in case it terminates the full-time employment agreement of the project manager signed with the Project Promoter, respectively the partnership officers;
- in case the project manager becomes the beneficiary of a funding associated to this research theme, in order to avoid double funding.

IX. RIGHTS AND OBLIGATIONS OF THE PROGRAMME OPERATOR

Art. 21 The Program Operator verifies whether the project is being implemented to meet the results proposed by the project proposal and implicitly that the project leads to the fulfillment of the Program indicators;

Art. 22 The Programme Operator checks whether the expenses and the manner in which the expenses declared by the Project Promoter/partners thereof are contracted comply with the national, European and Donor States' laws in force, as well as with the Regulation on the implementation of the Norwegian (NO) Financial Mechanism with the relevant guidelines and annexes;

Art. 23 The Programme Operator checks the progress of the project, the results thereof, as well as the fulfillment of the indicators by carrying out, without limitation, administrative verifications, monitoring activities and on-site visits;

Art. 24 The Programme Operator makes sure that the Project Promoter holds the capacity to implement the funded project;

Art. 25 The Programme Operator makes sure that the amounts (advance payment, interim payments, final payments) required for the implementation of the project are timely transferred, so as to permanently ensure a positive financial flow;

Art. 26 The Programme Operator makes sure that the Project Promoter/partners thereof keep distinct accounts, per sources, of the funded project, according to the generally accepted accounting rules;

Art. 27 The Programme Operator is bound to check the yearly/final reports in technical, scientific and financial terms;

Art. 28 The Program Operator checks by sampling supporting documents for the expenses declared by the Project Promoters in the annual / final reports;

Art. 29 The Programme Operator shall take all measures required in order to prevent, identify and cancel all cases of irregularities/fraud, as well as in order to recover debt;

Art. 30 The Programme Operator shall make available to the Project Promoter the electronic platforms required in order to upload the reporting and public interest information on the project;

Art. 31 The Programme Operator is under the obligation to operatively review the documents submitted by the Project Promoter, both the technical (yearly, final reports), and the financial ones (advance payment, interim payment, final payment requests);

Art. 32 The Programme Operator is bound to make available to the Project Promoter any and all information it may hold and that could be relevant for the fulfillment of the agreement;

Art. 33 The Programme Operator undertakes not to communicate, under any circumstances, without the Project Promoter's prior written consent, confidential information belonging to the latter or obtained pursuant to the contractual relations;

Art. 34 The Programme Operator is bound to organize its own classified information protection system, according to the Law no. 182/2002 on the protection of classified information, to the National standards for the protection of classified information in Romania, adopted pursuant to the Government Decision no. 585/2002 and to the Implementation Regulation regarding the protection of classified information in the field of scientific research and technological development, adopted through the Order of the Minister of Education and Research no. 7079/2003.

Art. 35 The Programme Operator is entitled to suspend all payments to the Project Promoter or to request the reimbursement of payments already made, upon the request of the Financial Mechanism Body or the National Focal Point.

Art. 36 The Programme Operator has the obligation to process personal data in accordance with the provisions of Regulation (EU) 2016/679 (GDPR 2018) and law 190/2018 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (<https://uefiscdi.ro/protectia-datelor-cu-caracter-personal>).

X. ADDRESSES FOR COMMUNICATIONS

Art. 37 The parties hereby agree that any and all notifications/communications/reports sent by one of them to the other shall be validly served only if sent to the following addresses:

a) if to the Programme Operator

....., address:, St., no.,, tel. (021)....., fax (021)....., e-mail:.....

b) if to the Project Promoter:

Surname and first name, position/department, address, telephone, fax, e-mail.

Art. 38 The communications regarding requests, endorsements, approvals shall be dispatched within the contractual terms, in written form, on a medium allowing for the recording thereof.

Art. 39 Any and all written documents shall be recorded both upon dispatch, and upon receipt.

Art. 40 Telephone, fax or email communications between the parties are also acceptable, provided that the receipt is subsequently confirmed in writing.

Art. 41 Personal data shall be processed, stored and collected according to the provisions in the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, for the purpose of the implementation/monitoring/assessment/verification/audit of the project, the fulfillment of the objectives thereof and the achievement of the result indicators, as well as for the draw up of the statistical reports.

XI. EXPENDITURE ELIGIBILITY PROVISIONS

Art. 42 The Project Promoter undertakes full liability that all expenses shall only be made for the purpose of the fulfillment of the project, in compliance with the commitments undertaken through the project proposal, according to the provisions of the grant agreement, with the ones in the Regulation on the implementation of the Norwegian (NO) Financial Mechanism 2014-2021, with the ones in the Guideline for Research Programmes - Rules for the establishment and implementation of programmes falling under the Programme Area "Research".

Art. 43 The expenses contracted during the implementation of the project are eligible for settlement under the funding provided that the following conditions are cumulatively fulfilled:

- they were incurred between the agreement signature date and the final project eligibility date, according to the signed grant agreement, but no later than 30th of April 2024;
- they are related to the subject of the agreement stipulated under *Chapter IV – Subject of the Agreement* and they are included in the overall project budget stipulated under *Chapter VI – Amount of the Agreement, art. 7*;
- they are proportional to the objectives of the project and they are required for the implementation thereof;
- they are compliant with the categories of expenses submitted in the approved tender documentation;
- they are used for the sole purpose of achieving the objectives of the project and the sought results, in a manner that is consistent to the principles of economy, efficiency and effectiveness;
- they are identifiable and verifiable, being entered with the Project Promoter's/Project partners' accounting records according to the relevant accounting standards;
- they abide by the requirements of the national laws in force;
- they abide by the provisions of the approved State Aid scheme;
- they are accompanied by invoices or other supporting documents;
- in the case of the expenses resulting pursuant to a public procurement procedure, they must be supported by invoices, contracts or order, according to the legislation in force.

Art. 44 Personnel expenses shall only include expenses related to the project team providing scientific, technical, administrative/financial support. The salary expenses associated with the position of administrative-financial manager are included in the personnel expenses, or in the

indirect expenses, depending on the decision of the Project Promoter, if the position is assimilated to the administrative staff.

Art. 45 Salary expenditure shall be determined as follows:

- for the Project Promoter and the Project Partners in Romania, the provisions in GD 751/2017 or GD 583/2015 on the approval of the National Research-Development and Innovation Plan 2015-2020, as further amended and supplemented;
- for the Project Partners in the Donor States the national provisions in the respective countries shall be considered;
- salary expenses are justified by legal and valid documents (selection procedure (by case), employment contracts/ additional documents, job descriptions, time sheets, activity reports.

Art. 46

46.1 The travel expenses, for travels in the country/abroad for team members, shall be settled on the basis of national legislation or according to the Programme Operator's Decision no. 309/18th of September 2018³;

46.2 Other travel expenses comprise: fees for the participation in scientific events, visa and other such related costs, settled on the basis of actual costs;

46.3 Travel expenses may also be reimbursed for the participation of guests in the scientific events organized within the project, provided that the project proposal approved for funding provides for such scientific events. In this case, the settlement will be done in accordance with the legal provisions in force.

Art. 47

47.1 For the Project Promoter and the Romanian Partners, indirect costs (overhead) are calculated as a percentage of 25% (lump sum) of the amount of direct expenses, minus the subcontracting expenditure, as well as the cost of resources made available by third parties are used at the beneficiary's premises, as well as financial support to third parties.

47.2 For the Norwegian partners, overhead costs are calculated either as 25% (lump sum) of the amount of direct costs, excluding direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the beneficiary, as well as financial support to third parties, or included in staff hourly rates, for Norwegian entities classified as *research institutes*, according to the rules of the Norwegian Research Council⁴.

47.3 The total amount of indirect costs for each partner can not be increased.

47.4 Indirect costs may include administrative personnel (procurements officer, financial-accounting department representatives, communication officer, etc.) salary costs.

³ If the application of the lump sums is made in accordance with the decision of the Program Operator no. 309, the Project Promoter / Partners have the obligation to assume by decision / order the management of the Project Promoter / Partners in Romania and to develop implementing rules.

⁴<https://www.forskningradet.no/en/apply-for-funding/who-can-apply-for-funding/research-organisations/approved-research-organisations/>

Art. 48 Subcontractor expenses may not exceed 15% of the overall amount of the public funds granted;

Art. 49 New or second-hand equipment purchase costs are eligible for reimbursement out of the granted public funds exclusively for the purpose of achieving the project objectives and they are calculated as follows:

- 100% for research organizations;
- the equivalent of the depreciation throughout the project duration, calculated according to the regulated accounting practices, if the lifespan of this equipment expands beyond the project duration, for entities involving state aids.

Art. 50 The distribution of expenses by category of expenses must follow the Budget Breakdown Annex 3. If the situation requires it, during the project, modifications may be made under Section **XVI Changes of the projects** in this contract.

Art. 51 The Value Added Tax (VAT) for goods and services is an eligible expenditure category if it is not already recovered from the national tax authorities, according to the regulations in force.

Art. 52 The funds spent for other purposes than the ones stipulated hereunder shall lead to the declaration of such expenses as non-eligible.

XII. SUBMISSION OF REPORTS AND RESULTS

Art. 53 The Project Promoter submits with the Programme Operator the expenses made for the completion of the project as part of each project stage, through stage-specific reports. The implementation term of a project stage is of one calendar year.

Art. 54 The Project Promoter shall submit the yearly and the final report with the Programme Operator.

Art. 55 The Project Promoter submits the yearly report with the Programme operator, within no more than 60 days as of the completion of the stage. In general, the yearly report is submitted at the end of February and comprises the activity carried out during the previous year.

Art. 56 The yearly report, according to the template made available by the Programme Operator, comprises two sections: The Technical/Scientific Report and the Financial Report.

56.1 The technical/scientific report comprises:

- the description of the activities carried out;
- a summary of the project progress regarding the undertaken objectives, the deliverables achieved (according to the contractual provisions), and, if applicable, a justification of the differences between objectives, estimated and actually achieved deliverables;
- the description of the presentation and dissemination of the results and activities carried out;
- a summary that can be made public by the Programme Operator, regarding the project progress achieved during the reporting period.

56.2 The financial report comprises:

- a yearly post-calculation estimate;
- a centralizer list of the expenses, individualized per partner and the cumulative amount for the whole project, comprising detailed information on all the expenses

made during the reporting period, accompanied by a statement of each partner, attesting that all presented expenses are full, accurate and true to reality, eligible and supported by documents in proof that can be made available when requested;

- the details on the use of the financial resources according to the budget;
- information on the subcontractor expenses;
- the in-kind resources used by third-party country partners (if any).

Art. 57 In the verification process, the Program Operator will request, on a sample basis, supporting documents for the expenses included in the annual reports;

Art. 58 The Project Promoter submits the with the Programme operator, within no more than 60 days as of the completion of the project, the Final Report, according to the template made available by the Programme Operator, with the following structure:

58.1 The technical/scientific report shall include:

- the results obtained, the use and dissemination of the same, the project deliverables, the fulfillment of the proposed activities and the achievement of the estimated results. The report must include, if applicable, the differences between the activities that should have been carried out according to the agreement and the ones actually achieved;
- the presentation of the broader social implications of the project, under the form of a questionnaire, including actions concerning the equality of gender, ethical aspects, participant involvement and awareness-raising efforts;
- a list of all scientific publications, project results, including the requirements in art. 15;
- a final summary report, which the Programme Operator may publish.

58.2 The financial report comprises:

- a post-calculation estimate of the project;
- the distribution of the public funds granted between the Project Promoter and the Project Partners;
- an expenditure centralizer list, individualized per partner and cumulative for the whole project, comprising detailed information on all the expenses incurred during the reporting period;
- a cumulative centralizer list for the entire project, comprising all the expenses incurred, for all reporting periods;
- the certificate issued by the independent external auditor shall concern all the expenses made out of the public funds granted throughout the project implementation period, both for the Project Promoter, and for the Project Partners who received funds above 325,000 Euros.
- The audit certificate is not mandatory to be transmitted if the amount of the grant individually awarded to each partner is below the 325,000 Euros limit. However, in the verification process, the Program Operator will request, on a sample basis, supporting documents for the expenditure included in the final reports;

Art. 59 The Project Promoter must submit with the Programme Operator, during and at the end of the project, a report on the financial publications comprising the references and the summary of all scientific publications resulting from the project, within 60 days as of their publication.

Art. 60 The yearly and the final report shall be filled out in English, shall be signed by the Project Promoter's legal representative and shall be submitted in electronic format to the Programme Operator, within the terms stipulated in art. 55 and art. 58.

Art. 61 In case irregularities are identified in the reporting documents specified in art. 56 and art. 58 submitted by the Project Promoter, the latter shall be bound that in maximum 5 working days from the receiving of the notification to remedy all discrepancies/submit all missing documents communicated by the Programme Operator. If the matter of the discrepancies/missing documents required for the favorable endorsement could not be solved within the set term, because of the Project Promoter's fault, the Programme Operator shall be entitled not to approve the yearly/final report and, implicitly, to cease the transfer of the following interim payment/ pre-financing installments.

XIII. MONITORING AND EVALUATION

Art. 62 The purpose of the evaluation of the yearly reporting documents by the Programme Operator mainly is that of establishing whether:

- the project implementation complies with the agreement provisions;
- the implementation of the project leads to the achievement of the objectives and results undertaken in the context of the project;
- the implementation leads to the achievement of Program indicators.

Art. 63 The Programme Operator's evaluation of the yearly reports, when there are no requests for clarification, may not exceed 20 working days as of the receipt thereof.

Art. 64 If, pursuant to the yearly evaluation, the Programme Operator finds that the project progress is not according to the contractual plan, includes deviations in the achievement of the undertaken indicator and in the objectives set, the Programme Operator shall take the following steps:

- it shall initiate discussions with the project team members in order to identify the causes that led to the non-observance of the initial plan, as well as in order to identify the measures for the redressal of the project;
- it shall propose measures/adjustments to the initial plans approved under the grant agreement.

Art. 65 If, pursuant to the measures undertaken by the Programme Operator, according to art. 64, the parties are unable to identify project redressal solutions, the Programme Operator shall inform the National Focal Point and shall propose the termination of the agreement, the Project Promoter being bound to return the received public funds, in full or in part.

Art. 66 The main purpose of the evaluation of the final reporting documents by the Programme Operator is to assess the agreement fulfillment level, as follows:

- Complete;
- Partially completed, with a notification for the partial reimbursement of the public funds granted;
- Not at all completed, with a notification for the full reimbursement of the public funds granted.

Art. 67 The Programme Operator's evaluation of the final reports, when there are no requests for clarification, may not exceed 30 working days as of the receipt thereof.

Art. 68 If, pursuant to the final evaluation, the Programme Operator finds that the project does not achieve the undertaken indicators and the objectives set under the grant agreement, the Programme Operator shall initiate discussions with the project team members in order to identify

the causes leading to the failure to observe the initial plan. If the discussions confirm the findings of the final evaluation, the Programme Operator shall inform the National Focal Point and shall propose the partial/full reimbursement of the public funds granted.

Art. 69 The scientific aspects related to the implementation of the project and presented by the Project Promoter in the yearly/final technical reports shall be evaluated with the support of independent scientific experts, specifically contracted for the purpose of this activity by the Programme Operator.

Art. 70 The expenses mentioned in the yearly and final financial reports shall be checked by the Programme Operator according to the set procedure.

Art. 71 If, pursuant to the evaluation, it is found that the project is susceptible of possible irregularities/fraud, the Programme Operator shall undertake the required measures, according to the applicable laws and to the set procedure.

Art. 72 During the project implementation period, the Programme Operator shall carry out monitoring and on-site verification visits.

Art. 73 If the results of the research lead to the impossibility to achieve the project results (research failure cases), the Project Promoter shall immediately inform the Programme Operator on the same and shall request the cessation of the project implementation. The Programme Operator shall evaluate the situation presented by the Project Promoter and shall decide on the approval of the project implementation cessation request.

Art. 74 In case the Programme Operator accepts the request, the Project Promoter shall:

- reimburse the funds that were not used in the implementation of the project;
- submit with the Programme Operator the final technical and financial report within 30 days as of the dispatch of the project cessation approval notification, by the Programme Operator.

XIV. PAYMENTS

Art. 75 The main types of payments as part of the project are: advance payment, pre-financing (pre-financing model - interim payments) and reimbursement (reimbursement model), as follows:

75.1 The advance payments are made in compliance with the project budget corresponding to the public funding for the first year of implementation, according to Annex 3 – Budget breakdown, in order to cover the expenses for the first year of implementation of the project;

- The advance payment shall be requested by the Project Promoter on behalf of the partnership, by filling out and submitting with the Programme Operator the advance payment application according Annex 5;
- Considering that the advance payment shall be made in LEI, the Project Promoter shall arrange for the Eur-Leu conversion upon the consolidation of the advance payment application and Leu-Eur upon the transfer of the advance payment to the partners in the Donor States.

75.2 The payment based on the pre-financing model represents successions of yearly interim payments meant to ensure a positive financial flow for the Project Promoter and its partners, the number of interim payments depending on the duration of the project;

- The pre-financing is granted at the beginning of the calendar year;

- The pre-financing is conditional on the approval of annual reports⁵ and is calculated on the basis of annual budgets and balance / available balance according to the financing provisions transmitted by the Project Promoter;
- The term for the submission of the forecast of likely payment applications is the 31st of July of each calendar year;
- After having used the advance payment, the Project Promoter/Programme Partners, Romanian public institutions shall only employ the pre-financing model for the financing of the project;
- For private entity Project Promoter/Project Partners, the amount of the advance payments and of the interim payments may not exceed 90% of the public funds granted, according to Annex 3 – Budget breakdown;
- For private entity Project Promoter/Project Partners the amount of the pre-financing for the last year of the project shall be of no more than 70% of the public funds granted during the respective year;
- Considering that the interim payments shall be made in LEI, the Project Promoter shall arrange for the Leu-Eur conversion upon the transfer of the amounts to the Donor State partners.

75.3 The payment through the reimbursement model concerns two project funding methods, as follows:

- The final payments for the private entity Project Promoter using the pre-financing mechanism;
- Payments for the reimbursement of the expenses fully borne by the private entity Project Promoter/Project Partners, out of own funds.
- Final and reimbursement payment are conditional upon the approval of the yearly and final reports and they are requested by the Project Promoter according to Annex 7;
- In case the reimbursement mechanism is exclusively used and the grant agreement:
 - was signed before August the 15th, the Project Promoter and/or the Project Partners shall submit the forecast of likely payment applications by such date;
 - was signed after August the 15th, the Project Promoter and/or the Project Partners shall submit the forecast of likely payment applications by January the 31st of the following calendar year. The forecasts of likely payment applications will subsequently be sent twice a year, prior to August the 15th and no later than January the 31st.
- Considering that the reimbursements shall be granted in LEI, the Project Promoter shall arrange for the Leu-Eur conversion upon the transfer of the amounts to the Donor State partners.

XV. PAYMENT TERMS

Art. 76 The Program Operator shall make payments under this grant agreement in the following accounts⁶ in the name of the Project Promoter:

- holder: (*account holder's name / designation*);

⁵ with the exception of the first pre-financing / interim payment application

⁶ Accounts opened according to Order no. 2840 of 31 October 2017 for the approval of the Methodological Norms for the application of the provisions of Government Emergency Ordinance no. 34/2017

- tax code:
- treasury / bank: (*designation, including branch*);
- account number (IBAN):

XVI. PROJECT AMENDMENTS

Art. 77 The Project Promoter, with the prior consent of the Programme Operator, may introduce some changes to the implementation of the project, provided that it does not change the general purpose of the project.

Art. 78 In the following situations, the Project Promoter shall be obliged to notify and obtain the Program Operator's approval:

- reallocations between the categories of expenses, except for the indirect expenses, within the limit of 15% of the overall project value, provided that the overall project budget does not increase;
- changes to the dates for the completion of the project activities, which do not exceed 3 months, provided that the project completion date remains unchanged;
- supplementing the project team under the conditions of respecting the value of the personnel expenses.

Art. 79 If, for the implementation of the project during the period of its implementation, it is necessary to introduce other amendments than those provided in art. 78, the Project Promoter is required to submit to the Program Operator a request to introduce these changes together with the relevant motivation within a period not exceeding 30 days from the date of occurrence of the circumstances that led to the need to modify the project.

Art. 80 The Programme Operator shall be entitled to request the Project Promoter to provide additional explanations and clarifications regarding the request for changes in the implementation of the project. The Project Promoter must provide the requested information within 14 days.

Art. 81 The Project Promoter may request the Programme Operator an extension of the contract term by no more than 9 months, without any budget increases.

Art. 82 In order to introduce changes in the implementation of the project, other than provided by art.78, the parties shall conclude an addendum hereto.

Art. 83 The modification of the partnership can be done according to the instructions of the Program Operator and only with the approval of the Program Operator.

XVII. INTELLECTUAL PROPERTY

Art. 84 The results arising from the performance of the agreement shall belong to the Project Promoter/Project Partners, according to the Partnership Agreement, and/or to their employees, according to the laws in force on industrial property titles and copyright. The results of the researches shall be managed by their rightful owners, with all the rights deriving from their capacity as rightful owners.

Art. 85 The Programme Operator undertakes no liability and shall not intervene in the disputes that may arise between the partnership members with regards to the property rights over the results obtained or used by the same, both during the project, and after its completion.

XVIII. ASSIGNMENT

Art. 86 The assignment of the agreement or of parts thereof is forbidden.

XIX. VERIFICATIONS AND AUDIT

Art. 87 The verifications related to the implementation of the project shall be carried out by the Programme Operator or other audit/control bodies, according to the mandatory legal regulations.

Art. 88 The verifications may be carried out at all times during the implementation of the project and for a period of 5 years as of its completion.

Art. 89 The verifications may be carried at the headquarters of the Project Promoter, of the Project Partners, as well as at the project implementation sites.

Art. 90 The Project Promoter/Project Partner shall be notified on the audit mission at least 5 days prior to the commencement thereof.

Art. 91 The Programme Operator or any other control authority performing the verification must be granted access to the locations and offices where the project is implemented, to the accounting records, as well as to any and all legal documentation concerning the implementation of the project (financial and technical documents).

Art. 92 The Project Promoter/Project Partner must store, under proper safety conditions, all the data on the implementation of the project, the documentation regarding the financial and technical management, as well as the documentation corresponding to the award of the procurement agreements, for a period of at least 5 years as of the completion of the project. In justified cases, the Programme Operator may extend this period, by notifying the Project Promoter.

Art. 93 In case the public funds granted for the Project Promoter or the project partners is equal to or higher than the equivalent in LEI of the amount of 325,000 Euros, the expenses made must be audited by an independent auditor, certified by the competent national authorities, in order to attest the compliance of the expenses with the provisions in the Regulation, in the Guideline for Research Programmes, in the national laws, as well as with the national accounting practices.

Art. 94 The audit-related costs are eligible costs.

Art. 95 In the case of an external audit carried out according to art. 93, the audit report, for the entire project implementation period, shall be submitted with the Programme operator, alongside the final report.

XX. CESSATION AND TERMINATION OF THE AGREEMENT

Art. 96 The Programme Operator may terminate the agreement, subject to a prior notification sent to the Project Promoter in case it is undergoing voluntary liquidation, it became bankrupt, or in case it sells or assigns a substantial part of its assets.

Art. 97 The Programme Operator may terminate the agreement in case the Project Promoter fails to initiate the performance of the agreement within the term stipulated in art. 3 herein.

Art. 98 The Program Operator may terminate the Grant Agreement if the Project Promoter does not send the reports to the Program Operator within the terms of this Grant Agreement.

Art. 99 The Programme Operator or the Project Operator may terminate the Agreement out of its own free will, for the failure to observe the provisions in the Agreement and in the Partnership Agreement, subject to a prior notification letter, receipt acknowledgement requested, as follows:

- one calendar week after the receipt of the prior notice by the other party, in case the agreement term is of less than two months;
- after two calendar weeks, if the agreement term is of less than four months;
- after six calendar weeks, if the agreement term is of at least four months.

Art. 100 As of the termination date of the agreement or as of the agreement termination communication, the Project Promoter shall immediately take all required steps to conclude the activities timely and without delays, in order to reduce the expenses to a minimum. No payments under the agreement are allowed as of the notification date, except for the already engaged ones.

Art. 101 The Project Promoter shall be entitled to the payment of the proper share of the agreement completed up to the termination date and of the possible demobilization costs, as well as of other reasonable unavoidable costs.

Art. 102 The Programme Operator shall immediately terminate the agreement and shall notify the Project Promoter in case the latter employs, within 6 months as of the execution of the agreement, natural and legal persons that participated in the assessment and selection of the project representing the subject hereof.

XXI. FORCE MAJEURE

Art. 103 Neither of the parties to the agreement shall be held liable for the belated and/or improper performance - whether in full or in part - of any of their obligations hereunder, if such default or improper performance was the result of a force majeure event as defined under the law.

Art. 104 The party invoking force majeure shall inform the other party on the occurrence of the event within 48 hours and shall take all reasonable measures in order to mitigate its consequences.

Art. 105 If the respective event does not cease within 5 (five) days as of its occurrence, the parties shall be entitled to inform each other on the rightful termination hereof and/or reinstatement in the previous situation, neither of them being entitled to claim damages.

XXII. DISPUTES

Art. 106 The disputes of any kind arising from the performance hereof shall be amicably settled within 15 calendar days as of their occurrence. If the parties are unable to reach consensus, they shall be forwarded for settlement with the common law courts. If the intervention of courts is

required, the parties shall refer the matter to the territorial courts in the Programme Operator's area.

XXIII. FINAL PROVISIONS

Art. 107 This agreement and the annexes hereto may only be amended and/or supplemented through addenda signed by both parties or by their authorized representatives.

Art. 108 The project manager can only be replaced in the event of decease or in case he can no longer carry out his activity because of a disease, accident or force majeure event. The project manager shall be replaced upon the proposal of the Project Promoter, with the Programme Operator's written consent.

Art. 109 The following Annexes shall be an integrating part hereof:

- a) Annex 1 - Project Proposal
- b) Annex 2 - Project Implementation Plan
- c) Annex 3 - Budget breakdown
- d) Annex 4 - Partnership Agreement
- e) Annex 5 - Advance payment application
- f) Annex 6 - Pre-financing payment application
- g) Annex 7 - Final payment application

This agreement was concluded in two counterparts, with numbered pages, all bearing the value of an original, comprising (*number*) of pages (including annexes), of which one counterpart for the Programme Operator and one counterpart for the Project Promoter.