Disclaimer
This document is aimed at assisting applicants for Horizon 2020 funding. It shows the full range of provisions that may be applied to this type of grant agreement, and is provided for information purposes only. The legally binding grant agreement will be that which is signed by the parties for each action.
## HISTORY OF CHANGES

<table>
<thead>
<tr>
<th>Version</th>
<th>Publication date</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 – 4.0</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>5.0</td>
<td>27.10.2017</td>
<td>Initial version</td>
</tr>
</tbody>
</table>
This Agreement (‘the Agreement’) is between the following parties:

on the one part,

[OPTION 1: the European Union (‘the EU’), represented by the European Commission (‘the Commission’)]

[OPTION 2: the European Atomic Energy Community (‘Euratom’), represented by the European Commission (‘the Commission’)]
[OPTION 3: the [Research Executive Agency (REA)] [European Research Council Executive Agency (ERCEA)] [Innovation and Networks Executive Agency (INEA)] [Executive Agency for Small and Medium-sized Enterprises (EASME)] (‘the Agency’), under the powers delegated by the European Commission (‘the Commission’),]

represented for the purposes of signature of this Agreement by [[function, Directorate-General, Directorate, Unit] [Department], [forename and surname]],

and

on the other part,

1. ‘the coordinator’:

[full official name (short name)], established in [official address in full], [OPTION for beneficiaries with VAT: VAT number [insert number]], represented for the purposes of signing the Agreement by [function, forename and surname]

and the following other beneficiaries, if they sign their ‘Accession Form’ (see Annex 3 and Article 56):

2. [full official name (short name)], established in [official address in full], [OPTION for beneficiaries with VAT: VAT number [insert number]],

[same for each beneficiary]

[OPTION if the JRC is a beneficiary: and X. the Joint Research Centre (JRC) established in [official address in full], if it signs the ‘Administrative Arrangement’ (see Annex 3b)].

Unless otherwise specified, references to ‘beneficiary’ or ‘beneficiaries’ include the coordinator [OPTION if the JRC participates: and the Joint Research Centre (JRC)].

The parties referred to above have agreed to enter into the Agreement under the terms and conditions below.

By signing the Agreement or the Accession Form [OPTION if the JRC is a beneficiary: or the Administrative Arrangement], the beneficiaries accept the grant and agree to implement it under their own responsibility and in accordance with the Agreement, with all the obligations and conditions it sets out.

The Agreement is composed of:

Terms and Conditions

---

4 Text in *italics* shows the options of the Model Grant Agreement that are applicable to this Agreement.

5 The person representing the Commission/Agency must be an authorising officer (by delegation or sub-delegation), designated in accordance with document 60008 of 22.02.2001 ‘Mise en place de la Charte desordonnateurs’.
Annex 1   Description of the action
Annex 2   Estimated lump sum breakdown
Annex 3   Accession Forms

[OPTION to be used if Article 14 applies and if joint and several liability has been requested by the [Commission][Agency]: 3a Declaration on joint and several liability of linked third parties]

[OPTION if the JRC participates: 3b Administrative Arrangement]

Annex 4   Model for the financial statements
Annex 5   Model for the certificate on the financial statements (CFS) Not applicable
Annex 6   Model for the certificate on the methodology (CoMUC): Not applicable
CHAPTER 1  GENERAL .................................................................................................................................12
  ARTICLE 1 — SUBJECT OF THE AGREEMENT..............................................................................................12

CHAPTER 2  ACTION ........................................................................................................................................12
  ARTICLE 2 — ACTION TO BE IMPLEMENTED [— COMPLEMENTARY GRANT] [— JOINTLY FUNDED ACTION] ..........................................................................................................................12
  ARTICLE 3 — DURATION AND STARTING DATE OF THE ACTION...............................................................12
  ARTICLE 4 — ESTIMATED LUMP SUM BREAKDOWN AND LUMP SUM SHARE TRANSFERS .................12
    4.1 Estimated lump sum breakdown ........................................................................................................12
    4.2 Lump sum share transfers ................................................................................................................13

CHAPTER 3  GRANT ..........................................................................................................................................13
  ARTICLE 5 — GRANT AMOUNT AND FORM OF GRANT .............................................................................13
    5.1 Maximum grant amount .......................................................................................................................13
    5.2 Form of grant ....................................................................................................................................13
    5.3 Final grant amount — Calculation .....................................................................................................13
    5.4 Revised final grant amount — Calculation ..........................................................................................14
  ARTICLE 6 — ELIGIBLE AND INELIGIBLE COSTS ..................................................................................14

CHAPTER 4  RIGHTS AND OBLIGATIONS OF THE PARTIES .................................................................14
  SECTION 1  RIGHTS AND OBLIGATIONS RELATED TO IMPLEMENTING THE ACTION .....................14
    ARTICLE 7 — GENERAL OBLIGATION TO PROPERLY IMPLEMENT THE ACTION .........................14
      7.1 General obligation to properly implement the action .......................................................................15
      7.2 Consequences of non-compliance ..................................................................................................15
    ARTICLE 8 — RESOURCES TO IMPLEMENT THE ACTION — THIRD PARTIES INVOLVED IN THE ACTION ..........................................................................................................................15
    ARTICLE 9 — IMPLEMENTATION OF ACTION TASKS BY BENEFICIARIES NOT RECEIVING EU FUNDING ...........................................................................................................................15
      [OPTION 1 for beneficiaries not receiving EU funding: 9.1 Rules for the implementation of action tasks by beneficiaries not receiving EU funding ..............................................................15
      9.2 Consequences of non-compliance ..................................................................................................16
    ARTICLE 10 — PURCHASE OF GOODS, WORKS OR SERVICES .........................................................16
    ARTICLE 11 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES AGAINST PAYMENT ..............................................................................................................................16
    ARTICLE 12 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES FREE OF CHARGE ........................................................................................................................................16
    ARTICLE 13 — IMPLEMENTATION OF ACTION TASKS BY SUBCONTRACTORS .............................17
      13.1 Specific rules for subcontracting action tasks ..............................................................................17
      13.2 Consequences of non-compliance ..................................................................................................17
    ARTICLE 14 — IMPLEMENTATION OF ACTION TASKS BY LINKED THIRD PARTIES .....................17
      [OPTION 1: 14.1 Specific rules for calling upon linked third parties to implement part of the action 17
      14.2 Consequences of non-compliance ................................................................................................18
    ARTICLE 14a — IMPLEMENTATION OF ACTION TASKS BY INTERNATIONAL PARTNERS .........18
ARTICLE 15 — FINANCIAL SUPPORT TO THIRD PARTIES ................................................................. 19
15.1 Rules for providing financial support to third parties ............................................................... 19
15.2 Financial support in the form of prizes ....................................................................................... 19
15.3 Consequences of non-compliance ......................................................................................... 20

ARTICLE 16 — PROVISION OF TRANS-NATIONAL OR VIRTUAL ACCESS TO RESEARCH INFRASTRUCTURE ........................................................................................................... 20

SECTION 2 RIGHTS AND OBLIGATIONS RELATED TO THE GRANT ADMINISTRATION ................................................................................................................................. 23

ARTICLE 17 — GENERAL OBLIGATION TO INFORM ................................................................... 23
17.1 General obligation to provide information upon request ......................................................... 23
17.2 Obligation to keep information up to date and to inform about events and circumstances likely to affect the Agreement ................................................................................... 23
17.3 Consequences of non-compliance ......................................................................................... 23

ARTICLE 18 — KEEPING RECORDS — SUPPORTING DOCUMENTATION .................................. 24
18.1 Obligation to keep records and other supporting documentation ............................................ 24
18.2 Consequences of non-compliance ......................................................................................... 24

ARTICLE 19 — SUBMISSION OF DELIVERABLES ...................................................................... 24
19.1 Obligation to submit deliverables ........................................................................................... 24
19.2 Consequences of non-compliance ......................................................................................... 25

ARTICLE 20 — REPORTING — PAYMENT REQUESTS ................................................................. 25
20.1 Obligation to submit reports ................................................................................................... 25
20.2 Reporting periods .................................................................................................................... 25
20.3 Periodic reports — Requests for interim payments ................................................................. 25
20.4 Final report — Request for payment of the balance ................................................................ 27
20.5 Information on cumulative expenditure incurred .................................................................. 27
20.6 Currency for financial statements ......................................................................................... 27
20.7 Language of reports .............................................................................................................. 27
20.8 Consequences of non-compliance ......................................................................................... 27

ARTICLE 21 — PAYMENTS AND PAYMENT ARRANGEMENTS ..................................................... 28
21.1 Payments to be made ............................................................................................................. 28
21.2 Pre-financing payment — Amount — Amount retained for the Guarantee Fund .................... 28
21.3 Interim payments — Amount — Calculation ......................................................................... 28
21.4 Payment of the balance — Amount — Calculation — Release of the amount retained for the Guarantee Fund ........................................................................................................ 29
21.5 Notification of amounts due ................................................................................................... 30
21.6 Currency for payments ......................................................................................................... 31
21.7 Payments to the coordinator — Distribution to the beneficiaries .................................... 31
21.8 Bank account for payments .................................................................................................. 31
21.9 Costs of payment transfers .................................................................................................... 31
21.10 Date of payment .................................................................................................................... 31
21.11 Consequences of non-compliance ....................................................................................... 32

ARTICLE 22 — CHECKS, REVIEWS, AUDITS AND INVESTIGATIONS — EXTENSION OF FINDINGS ................................................................. 32
22.1 Checks, reviews and audits by the [Agency and the] Commission ......................................... 32
22.2 Investigations by the European Anti-Fraud Office (OLAF) .................................................... 34
ARTICLE 28 — EXPLOITATION OF RESULTS ................................................................. 44
28.1 Obligation to exploit the results .................................................................... 44
28.2 Results that could contribute to European or international standards — Information on EU funding .......................................................... 44
28.3 Consequences of non-compliance ................................................................. 44

ARTICLE 29 — DISSEMINATION OF RESULTS — OPEN ACCESS — VISIBILITY OF EU FUNDING ................................................................. 45
29.1 Obligation to disseminate results ................................................................. 45
29.2 Open access to scientific publications ......................................................... 45

SECTION 3 RIGHTS AND OBLIGATIONS RELATED TO BACKGROUND AND RESULTS ........................................................................... 37

SUBSECTION 1 GENERAL .................................................................................. 37

ARTICLE 23 — EVALUATION OF THE IMPACT OF THE ACTION ....................... 37
23.1 Right to evaluate the impact of the action .................................................... 37
23.2 Consequences of non-compliance ............................................................... 37

ARTICLE 24 — AGREEMENT ON BACKGROUND .................................................. 38
24.1 Agreement on background .......................................................................... 38
24.2 Consequences of non-compliance ............................................................... 38

ARTICLE 25 — ACCESS RIGHTS TO BACKGROUND .......................................... 38
25.1 Exercise of access rights — Waiving of access rights — No sub-licensing ....... 38
25.2 Access rights for other beneficiaries, for implementing their own tasks under the action ................................................................. 39
25.3 Access rights for other beneficiaries, for exploiting their own results ......... 39
25.4 Access rights for affiliated entities .............................................................. 39
25.5 Access rights for third parties ..................................................................... 40
25.6 Consequences of non-compliance ............................................................... 40

SUBSECTION 2 RIGHTS AND OBLIGATIONS RELATED TO BACKGROUND .......... 38

ARTICLE 26 — OWNERSHIP OF RESULTS ......................................................... 41
26.1 Ownership by the beneficiary that generates the results ............................ 41
26.2 Joint ownership by several beneficiaries ..................................................... 41
26.3 Rights of third parties (including personnel) ................................................. 41
26.4 [EU] [Euratom] [Agency] ownership, to protect results ............................. 42
26.5 Consequences of non-compliance ............................................................... 43

ARTICLE 27 — PROTECTION OF RESULTS — VISIBILITY OF EU FUNDING ........... 43
27.1 Obligation to protect the results ................................................................. 43
27.2 [EU] [Euratom] [Agency] ownership, to protect the results ....................... 43
27.3 Information on EU funding ........................................................................ 43
27.4 Consequences of non-compliance ............................................................... 43

ARTICLE 28 — EXPLOITATION OF RESULTS ......................................................... 44
28.1 Obligation to exploit the results ................................................................. 44
28.2 Results that could contribute to European or international standards — Information on EU funding .......................................................... 44
28.3 Consequences of non-compliance ............................................................... 44

ARTICLE 29 — DISSEMINATION OF RESULTS — OPEN ACCESS — VISIBILITY OF EU FUNDING ................................................................. 45
29.1 Obligation to disseminate results ............................................................... 45
29.2 Open access to scientific publications ....................................................... 45

Checks and audits by the European Court of Auditors (ECA) .............................. 35
Checks, reviews, audits and investigations for international organisations .......... 35
Consequences of findings in checks, reviews, audits and investigations — Extension of findings .......................................................... 35
Consequences of non-compliance .................................................................. 37

H2020 Model Grant Agreements: H2020 MGA Lump Sum Pilot — Multi: V.5.0 – 27.10.2017
ARTICLE 30 — TRANSFER AND LICENSING OF RESULTS .................................................. 49
30.1 Transfer of ownership ........................................................................................................ 49
30.2 Granting licences ............................................................................................................... 49
30.3 [Commission]/[Agency] right to object to transfers or licensing .................................. 49
30.4 Consequences of non-compliance ..................................................................................... 51

ARTICLE 31 — ACCESS RIGHTS TO RESULTS ...................................................................... 51
31.1 Exercise of access rights — Waiving of access rights — No sub-licensing .................... 51
31.2 Access rights for other beneficiaries, for implementing their own tasks under the action ................................................................................................................................. 52
31.3 Access rights for other beneficiaries, for exploiting their own results ......................... 52
31.4 Access rights of affiliated entities ..................................................................................... 52
31.5 Access rights for the EU institutions, bodies, offices or agencies and EU Member States ........................................................................................................................................ 52
31.6 Access rights for third parties .......................................................................................... 53
31.7 Consequences of non-compliance ..................................................................................... 54

SECTION 4 OTHER RIGHTS AND OBLIGATIONS ...................................................................... 54
ARTICLE 32 — RECRUITMENT AND WORKING CONDITIONS FOR RESEARCHERS ....... 54
32.1 Obligation to take measures to implement the European Charter for Researchers and Code of Conduct for the Recruitment of Researchers ...................................................... 54
32.2 Consequences of non-compliance ..................................................................................... 54

ARTICLE 33 — GENDER EQUALITY .................................................................................. 54
33.1 Obligation to aim for gender equality ............................................................................... 54
33.2 Consequences of non-compliance ..................................................................................... 54

ARTICLE 34 — ETHICS AND RESEARCH INTEGRITY .......................................................... 55
34.1 Obligation to comply with ethical and research integrity principles ............................. 55
34.2 Activities raising ethical issues ....................................................................................... 56
34.3 Activities involving human embryos or human embryonic stem cells ......................... 56
34.4 Consequences of non-compliance ..................................................................................... 56

ARTICLE 35 — CONFLICT OF INTERESTS ........................................................................... 57
35.1 Obligation to avoid a conflict of interests ......................................................................... 57
35.2 Consequences of non-compliance ..................................................................................... 57

ARTICLE 36 — CONFIDENTIALITY ....................................................................................... 57
36.1 General obligation to maintain confidentiality ................................................................. 57
36.2 Consequences of non-compliance ..................................................................................... 58

ARTICLE 37 — SECURITY-RELATED OBLIGATIONS .............................................................. 58
37.1 Results with a security recommendation .......................................................................... 58
37.2 Classified information ........................................................................................................ 59
37.3 Activities involving dual-use goods or dangerous materials and substances ............... 59
37.4 Consequences of non-compliance ..................................................................................... 59

ARTICLE 38 — PROMOTING THE ACTION — VISIBILITY OF EU FUNDING .................... 60
38.1 Communication activities by beneficiaries ....................................................................... 60
38.2 Communication activities by the [Agency and the] Commission .................................. 61
38.3 Consequences of non-compliance ..................................................................................... 62
ARTICLE 39 — PROCESSING OF PERSONAL DATA .................................................................62
39.1 Processing of personal data by [the Agency and] the Commission ..........................62
39.2 Processing of personal data by the beneficiaries ..................................................63
39.3 Consequences of non-compliance .................................................................63

ARTICLE 40 — ASSIGNMENTS OF CLAIMS FOR PAYMENT AGAINST THE [COMMISSION][AGENCY] .................................................................63

CHAPTER 5 DIVISION OF BENEFICIARIES’ ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH COMPLEMENTARY BENEFICIARIES — RELATIONSHIP WITH PARTNERS OF A JOINT ACTION ...........................................63

ARTICLE 41 — DIVISION OF BENEFICIARIES’ ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH COMPLEMENTARY BENEFICIARIES — RELATIONSHIP WITH PARTNERS OF A JOINT ACTION ...........................................63
41.1 Roles and responsibilities towards the [Commission][Agency] ................................64
41.2 Internal division of roles and responsibilities ......................................................64
41.3 Internal arrangements between beneficiaries — Consortium agreement ............65
41.4 Relationship with complementary beneficiaries — Collaboration agreement ......66
41.5 Relationship with partners of a joint action — Coordination agreement ..............66

CHAPTER 6 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS — DAMAGES — SUSPENSION — TERMINATION — FORCE MAJEURE .................................................................67

SECTION 1 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS ...........................................................................................................67

ARTICLE 42 — REJECTION OF INELIGIBLE COSTS .......................................................67
ARTICLE 43 — REDUCTION OF THE GRANT ...............................................................67
43.1 Conditions ............................................................................................................67
43.2 Amount to be reduced — Calculation — Procedure ..............................................68
43.3 Effects ..................................................................................................................68

ARTICLE 44 — RECOVERY OF UNDUE AMOUNTS ..................................................68
44.1 Amount to be recovered — Calculation — Procedure ...........................................68
44.1.1 Recovery after termination of a beneficiary’s participation .............................68

ARTICLE 45 — ADMINISTRATIVE SANCTIONS .........................................................73

SECTION 2 LIABILITY FOR DAMAGES ........................................................................73

ARTICLE 46 — LIABILITY FOR DAMAGES ................................................................73
46.1 Liability of the [Commission][Agency] .................................................................73
46.2 Liability of the beneficiaries ................................................................................73

SECTION 3 SUSPENSION AND TERMINATION ...........................................................74

ARTICLE 47 — SUSPENSION OF PAYMENT DEADLINE ........................................74
47.1 Conditions ............................................................................................................74
47.2 Procedure ............................................................................................................74

ARTICLE 48 — SUSPENSION OF PAYMENTS ..............................................................74
48.1 Conditions ............................................................................................................74
48.2 Procedure ............................................................................................................75

ARTICLE 49 — SUSPENSION OF THE ACTION IMPLEMENTATION ..........................76
49.1 Suspension of the action implementation, by the beneficiaries .........................76
49.2 Suspension of the action implementation, by the [Commission][Agency] ............76

ARTICLE 50 — TERMINATION OF THE AGREEMENT OR OF THE PARTICIPATION OF ONE OR MORE BENEFICIARIES .................................................................77
50.1 Termination of the Agreement, by the beneficiaries .............................................78
50.2 Termination of the participation of one or more beneficiaries, by the beneficiaries ..........78
50.3 Termination of the Agreement or of the participation of one or more beneficiaries, by the [Commission][Agency].........................................................................................81

SECTION 4 FORCE MAJEURE ........................................................................................................86
ARTICLE 51 — FORCE MAJEURE ...............................................................................................86

CHAPTER 7 FINAL PROVISIONS ................................................................................................87
ARTICLE 52 — COMMUNICATION BETWEEN THE PARTIES .....................................................87
  52.1 Form and means of communication....................................................................................87
  52.2 Date of communication .......................................................................................................87
  52.3 Addresses for communication ............................................................................................88
ARTICLE 53 — INTERPRETATION OF THE AGREEMENT ...............................................................88
  53.1 Precedence of the Terms and Conditions over the Annexes .............................................88
  53.2 Privileges and immunities ..................................................................................................88
ARTICLE 54 — CALCULATION OF PERIODS, DATES AND DEADLINES ....................................89
ARTICLE 55 — AMENDMENTS TO THE AGREEMENT .................................................................89
  55.1 Conditions ........................................................................................................................89
  55.2 Procedure ..........................................................................................................................89
ARTICLE 56 — ACCESSION TO THE AGREEMENT .................................................................90
  56.1 Accession of the beneficiaries mentioned in the Preamble ..............................................90
  56.2 Addition of new beneficiaries .............................................................................................90
ARTICLE 57 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES .................................90
  57.1 Applicable law ....................................................................................................................90
  57.2 Dispute settlement .............................................................................................................91
ARTICLE 58 — ENTRY INTO FORCE OF THE AGREEMENT .........................................................92
CHAPTER 1  GENERAL

ARTICLE 1 — SUBJECT OF THE AGREEMENT

This Agreement sets out the rights and obligations and the terms and conditions applicable to the grant awarded to the beneficiaries for implementing the action set out in Chapter 2.

CHAPTER 2  ACTION

ARTICLE 2 — ACTION TO BE IMPLEMENTED [— COMPLEMENTARY GRANT] [— JOINTLY FUNDED ACTION]

The grant is awarded for the action entitled [insert title of the action] — [insert acronym] (‘action’), as described in Annex 1.

[OPTION for complementary grants if foreseen in the work programme: The grant is a ‘complementary grant’ to [the grant agreement(s) under the call(s) for proposals [call identifier(s): H2020 — theme — ]] [the following complementary grant agreement(s) No(s):

- [insert number] [insert acronym]
- [insert number] [insert acronym]].]

[OPTION for joint actions (joint call with a third country or an international organisation): The action is a ‘jointly funded action’ which must be coordinated with the ‘joint action’ called [insert the name of the third country or international organisation action], as described in Annex 1.]

ARTICLE 3 — DURATION AND STARTING DATE OF THE ACTION

The duration of the action will be [insert number] months as of [OPTION 1 by default: the first day of the month following the date the Agreement enters into force (see Article 58)] [OPTION 2 if needed for the action: [insert date]]6 (‘starting date of the action’).

ARTICLE 4 — ESTIMATED LUMP SUM BREAKDOWN AND LUMP SUM SHARE TRANSFERS

4.1 Estimated lump sum breakdown

The ‘estimated lump sum breakdown’ for the action is set out in Annex 2.

It contains the lump sum shares, per work package and beneficiary [and linked third party].

---

6 This date must be the first day of a month and it must be later than the date of entry into force of the agreement, unless authorised otherwise by the authorising officer, if the applicant can demonstrate the need to start the action before the entry into force of the grant agreement or the need to start the action on another day than the first day of the month. In any case, the starting date should not be earlier than the date of the submission of the grant application (Article 130 FR).
The estimated lump sum breakdown does not prescribe how the EU contribution is to be used by the beneficiaries. It shows the amounts that the [Commission/Agency] commits to pay if the action is implemented properly, regardless of the costs actually incurred.

4.2 Lump sum share transfers

The estimated lump sum shares indicated in Annex 2 can be adjusted by transfers of amounts between beneficiaries and/or work packages, via an amendment (see Article 55).

Transfers between work packages are however possible only if:

- the work packages are not already completed (and declared in a financial statement);
- the transfers are justified by the technical and scientific implementation of the action and
- a review in accordance with Article 22.1.2 confirms that the amendment does not call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

CHAPTER 3 GRANT

ARTICLE 5 — GRANT AMOUNT AND FORM OF GRANT

5.1 Maximum grant amount

The ‘maximum grant amount’ is EUR [insert amount (insert amount in words)].

5.2 Form of grant

The grant takes the form of a lump sum contribution for the implementation of the action.

5.3 Final grant amount — Calculation

The ‘final grant amount’ depends on the actual extent to which the action is implemented in accordance with the Agreement’s terms and conditions.

This amount is calculated by the [Commission/Agency] — when the payment of the balance is made (see Article 21) — in the following steps:

Step 1 — Calculation of the lump sum shares for the approved work packages and reduction of non-approved work packages

Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations
5.3.1 Step 1 — Calculation of the lump sum shares for the approved work packages and reduction of non-approved work packages

The amounts of the lump sum shares (see Annex 2) for the approved work packages declared by the beneficiaries [and linked third parties] are added together.

The grant is reduced (see Article 43) for all other work packages (i.e. all work packages that have not been delivered or cannot be approved at the payment of the balance).

5.3.2 Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations — Reduced grant amount — Calculation

If the grant is further reduced (due to substantial errors, irregularities or fraud or serious breach of obligations other than improper implementation; see Article 43), the [Commission][Agency] will calculate the reduced grant amount by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 43.2) from the maximum grant amount set out in Article 5.1.

The final grant amount will be the lower of the following two:

- the amount obtained following Step 1 or
- the reduced grant amount following Step 2.

5.4 Revised final grant amount — Calculation

If — after the payment of the balance (in particular, after checks, reviews, audits or investigations; see Article 22) — the [Commission][Agency] reduces the grant (due to substantial errors, irregularities or fraud or serious breach of obligations including improper implementation; see Article 43), it will calculate the ‘revised final grant amount’ for the beneficiary concerned by the findings.

This amount is calculated by the [Commission][Agency] by calculating the concerned beneficiary’s share in the grant amount reduced in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations (see Article 43.2).

ARTICLE 6 — ELIGIBLE AND INELIGIBLE COSTS

Not applicable

CHAPTER 4 RIGHTS AND OBLIGATIONS OF THE PARTIES

SECTION 1 RIGHTS AND OBLIGATIONS RELATED TO IMPLEMENTING THE ACTION

ARTICLE 7 — GENERAL OBLIGATION TO PROPERLY IMPLEMENT THE ACTION
7.1 General obligation to properly implement the action

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement and all legal obligations under applicable EU, international and national law.

7.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 8 — RESOURCES TO IMPLEMENT THE ACTION — THIRD PARTIES INVOLVED IN THE ACTION

The beneficiaries must have the appropriate resources to implement the action.

If it is necessary to implement the action, the beneficiaries may:

- purchase goods, works and services;
- use in-kind contributions provided by third parties against payment;
- use in-kind contributions provided by third parties free of charge;
- call upon subcontractors to implement action tasks described in Annex 1;
- call upon linked third parties to implement action tasks described in Annex 1;
- call upon international partners to implement action tasks described in Annex 1 in accordance with the specific rules set out in Article 10 to 14a.

In these cases, the beneficiaries retain sole responsibility towards the [Commission][Agency] and the other beneficiaries for implementing the action.

ARTICLE 9 — IMPLEMENTATION OF ACTION TASKS BY BENEFICIARIES NOT RECEIVING EU FUNDING

[OPTION 1 for beneficiaries not receiving EU funding: 9.1 Rules for the implementation of action tasks by beneficiaries not receiving EU funding]

Beneficiaries that [are not eligible for EU funding][or][request zero funding] (‘beneficiaries not receiving EU funding’) must implement the action tasks attributed to them in Annex 1 in accordance with Article 7.1.
Grant Agreement number: [insert number] [insert acronym] [insert call identifier]

H2020 Model Grant Agreements: H2020 MGA Lump Sum Pilot — Multi: V.5.0 – 27.10.2017

[OPTION A, to be used if the beneficiary not receiving EU funding IS NOT the coordinator and does not have linked third parties receiving EU funding: Chapter 3, Articles 13 to 15, 18.1.2, 20.3(b), 20.4(b), 20.6, 21, 23a, 26.4, 27.2, 28.1 [OPTION: (with the exception of additional exploitation obligations)], 28.2, 30.3, 31.5, 40, 42, 43, 44, 47 and 48 do not apply to [OPTION 1 by default: these beneficiaries][OPTION 2 if more than one of the three options apply to the grant: [insert short name of the beneficiary]].

[OPTION B, to be used if the beneficiary/coordinator not receiving EU funding has linked third parties receiving EU funding: Chapter 3, Articles 13 to 15, 20.6, 23a and 40 do not apply to [OPTION 1 by default: these beneficiaries][OPTION 2 if more than one of the three options apply to the grant: [insert short name of the beneficiary]].

Articles 26.4, 27.2, 28.1 [OPTION: (with the exception of additional exploitation obligations)], 28.2, 30.3, 31.5 do not apply to results generated without EU funds.

[OPTION C, to be used if the beneficiary not receiving EU funding IS the coordinator and does not have linked third parties receiving EU funding: Chapter 3, Articles 13 to 15, 18.1.2, 20.6, 23a, 26.4, 27.2, 28.1 [OPTION: (with the exception of additional exploitation obligations)], 28.2, 30.3, 31.5 and 40 do not apply to [OPTION 1 by default: these beneficiaries][OPTION 2 if more than one of the three options apply to the grant: [insert short name of the beneficiary]].

[additional OPTION for beneficiaries requesting zero funding: If a beneficiary requesting zero funding receives funding later on (through an amendment; see Article 55), all obligations will apply retroactively.]

9.2 Consequences of non-compliance

If a beneficiary not receiving EU funding breaches any of its obligations under this Article, its participation in the Agreement may be terminated (see Article 50).

Such breaches may also lead to any of the other measures described in Chapter 6 that are applicable to it.

[OPTION 2: Not applicable]

ARTICLE 10 — PURCHASE OF GOODS, WORKS OR SERVICES

Not applicable

ARTICLE 11 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES AGAINST PAYMENT

Not applicable

ARTICLE 12 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES FREE OF CHARGE
ARTICLE 13 — IMPLEMENTATION OF ACTION TASKS BY SUBCONTRACTORS

13.1 Specific rules for subcontracting action tasks

Subcontracting may cover only a limited part of the action.

The tasks to be implemented for each subcontract must be set out in Annex 1. The [Commission][Agency] may however approve subcontracts not set out in Annex 1 without amendment (see Article 55), if:

- they are specifically justified in the periodic technical report and

- they do not entail changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

[OPTION for classified information: Action tasks involving classified information may be subcontracted only after explicit approval (in writing) from the [Commission][Agency] (see Article 37).]

The beneficiaries must ensure that [the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 22 and 23 also towards their subcontractors.

The beneficiaries must ensure that their obligations under Articles 35, 36, 38 and 46 also apply to the subcontractors.

13.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 14 — IMPLEMENTATION OF ACTION TASKS BY LINKED THIRD PARTIES

[OPTION 1: 14.1 Specific rules for calling upon linked third parties to implement part of the action

The following affiliated entities\(^7\) and third parties with a legal link to a beneficiary\(^8\) (‘linked third parties’) may implement the action tasks attributed to them in Annex 1:

---

\(^7\) For the definition see Article 2.1(2) Rules for Participation Regulation No 1290/2013: ‘affiliated entity’ means any legal entity that is:

- under the direct or indirect control of a participant, or
The linked third parties may receive lump sum shares for implementing the action tasks.

The beneficiaries must ensure that [the Agency,] the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 22 and 23 also towards their linked third parties.

The beneficiaries must ensure that their obligations under Articles 18, 35, 36 and 38 also apply to their linked third parties.

**14.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.]

[OPTION 2: Not applicable]

**ARTICLE 14a — IMPLEMENTATION OF ACTION TASKS BY INTERNATIONAL PARTNERS**

[OPTION 1: 14a.1 Specific rules for calling upon international partners to implement part of the action]

- under the same direct or indirect control as the participant, or
- directly or indirectly controlling a participant.

‘Control’ may take any of the following forms:

(a) the direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned, or of a majority of the voting rights of the shareholders or associates of that entity;

(b) the direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.

However, the following relationships between legal entities shall not in themselves constitute controlling relationships:

(a) the same public investment corporation, institutional investor or venture-capital company has a direct or indirect holding of more than 50% of the nominal value of the issued share capital or a majority of voting rights of the shareholders or associates;

(b) the legal entities concerned are owned or supervised by the same public body.

‘Third party with a legal link to a beneficiary’ is any legal entity which has a legal link to the beneficiary implying collaboration that is not limited to the action.
The following international partners\(^9\) may implement the action tasks attributed to them in Annex 1:

- [name of the entity (short name)], international partner of [short name of the beneficiary]
- [name of the entity (short name)], international partner of [short name of the beneficiary]

The beneficiaries must ensure that [the Agency,] the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 22 and 23 also towards their international partners.

The beneficiaries must ensure that their obligations under Articles 18.1.1, 20.3(a), 20.4(a), 35, 36, 38 also apply to their international partners.

**14a.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

[OPTION 2: Not applicable]

**ARTICLE 15 — FINANCIAL SUPPORT TO THIRD PARTIES**

**15.1 Rules for providing financial support to third parties**

[OPTION 1 to be used if foreseen in the work programme: The beneficiaries must ensure that [the Agency,] the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 22 and 23 also towards the third parties receiving financial support.

The beneficiaries must ensure that their obligations under Articles 35, 36, 38 and 46 also apply to the third parties receiving financial support.]

[OPTION 2: Not applicable]

**15.2 Financial support in the form of prizes**

[OPTION 1 to be used if foreseen in the work programme: The beneficiaries must ensure that [the Agency,] the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 22 and 23 also towards the third parties receiving a prize.

---

\(^9\) ‘International partner’ is any legal entity established in a non-associated third country which is not eligible for funding under Article 10 of the Rules for Participation Regulation No 1290/2013.
The beneficiaries must ensure that their obligations under Articles 35, 36, 38 and 46 also apply to the third parties receiving a prize.

[OPTION 2: Not applicable]

15.3 Consequences of non-compliance

[OPTION 1 to be used if 15.1 and/or 15.2 are applicable: If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.]

[OPTION 2: Not applicable]

ARTICLE 16 — PROVISION OF TRANS-NATIONAL OR VIRTUAL ACCESS TO RESEARCH INFRASTRUCTURE

16.1 Rules for providing trans-national access to research infrastructure

[OPTION 1 for trans-national access to research infrastructure: ‘Access providers’\(^{10}\) must provide access to research infrastructure or installations\(^{11}\) in accordance with the following conditions:

(a) access which must be provided:

The access must be free of charge, trans-national access to research infrastructure or installations for selected user-groups.

This access must include the logistical, technological and scientific support and the specific training that is usually provided to external researchers using the infrastructure.

(b) categories of users that may have access:

Trans-national access must be provided to selected ‘user-groups’, i.e. teams of one or more researchers (users) led by a ‘user group leader’.

The user group leader and the majority of the users must work in a country other than the country(ies) where the installation is located.

This rule does not apply:

\(^{10}\) ‘Access provider’ means a beneficiary or linked third party that is in charge of providing access to one or more research infrastructure or installations, or part of them, as described in Annex 1.

\(^{11}\) ‘Installation’ means a part or a service of a research infrastructure that could be used independently from the rest. A research infrastructure consists of one or more installations.
- if access is provided by an International organisation, the Joint Research Centre (JRC), an ERIC or similar legal entities;

- in case of remote access to a set of installations located in different countries offering the same type of service.

Only user groups that are allowed to disseminate the results they have generated under the action may benefit from the access, unless the users are working for SMEs.

Access for user groups with a majority of users not working in a EU or associated country\(^\text{12}\) is limited to 20% of the total amount of units of access provided under the grant, unless a higher percentage is foreseen in Annex I;

(c) procedure and criteria for selecting user groups:

The user groups must request access by submitting (in writing) a description of the work that they wish to carry out and the names, nationalities and home institutions of the users.

The user groups must be selected by a selection panel set up by the access providers.

The selection panel must be composed of international experts in the field, at least half of them independent from the beneficiaries, unless otherwise specified in Annex I.

The selection panel must assess all proposals received and recommend a short-list of the user groups that should benefit from access.

The selection panel must base its selection on scientific merit, taking into account that priority should be given to user groups composed of users who:

- have not previously used the installation and

- are working in countries where no equivalent research infrastructure exist.

It will apply the principles of transparency, fairness and impartiality.

[OPTION: In addition, the beneficiaries must comply with the following additional rules for the selection of user groups: [...]\(^\text{12}\).]

(d) other conditions:

The access provider must request written approval from the [Commission][Agency] (see Article 52) for the selection of user groups requiring visits to the installation(s) exceeding 3 months, unless such visits are foreseen in Annex 1.

In addition, the access provider must:

- advertise widely, including on a dedicated website, the access offered under the Agreement;

- promote equal opportunities in advertising the access and take into account the gender dimension when defining the support provided to users;

- ensure that users comply with the terms and conditions of the Agreement;

- ensure that its obligations under Articles 35, 36, 38 and 46 also apply to the users.

[OPTION 2: Not applicable]

16.2 Rules for providing virtual access to research infrastructure

[OPTION 1 for virtual access to research infrastructure: ‘Access providers’\(^{14}\) must provide access to research infrastructure or installations\(^{15}\) in accordance with the following conditions:

(a) access which must be provided:

The access must be free of charge, virtual access to research infrastructure or installations.

‘Virtual access’ means open and free access through communication networks to resources needed for research, without selecting the researchers to whom access is provided;

(b) other conditions:

The access provider must have the virtual access services assessed periodically by a board composed of international experts in the field, at least half of whom must be independent from the beneficiaries, unless otherwise specified in Annex 1.]

---

\(^{13}\) If the authorising officer considers necessary to give priority to certain categories of users.

\(^{14}\) ‘Access provider’ means a beneficiary or linked third party that is in charge of providing access to one or more research infrastructures or installations, or part of them, as described in Annex 1.

\(^{15}\) ‘Installation’ means a part or a service of a research infrastructure that could be used independently from the rest. A research infrastructure consists of one or more installations.
16.3 Consequences of non-compliance

[OPTION 1 to be used if 16.1 and/or 16.2 are applicable: If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.]

[OPTION 2: Not applicable]

SECTION 2 RIGHTS AND OBLIGATIONS RELATED TO THE GRANT ADMINISTRATION

ARTICLE 17 — GENERAL OBLIGATION TO INFORM

17.1 General obligation to provide information upon request

The beneficiaries must provide — during implementation of the action or afterwards and in accordance with Article 41.2 — any information requested in order to verify proper implementation of the action and compliance with any other obligation under the Agreement.

17.2 Obligation to keep information up to date and to inform about events and circumstances likely to affect the Agreement

Each beneficiary must keep information stored in the Participant Portal Beneficiary Register (via the electronic exchange system; see Article 52) up to date, in particular, its name, address, legal representatives, legal form and organisation type.

Each beneficiary must immediately inform the coordinator — which must immediately inform the [Commission]/[Agency] and the other beneficiaries — of any of the following:

(a) **events** which are likely to affect significantly or delay the implementation of the action or the EU’s financial interests, in particular:

   (i) changes in its legal, financial, technical, organisational or ownership situation [or those of its linked third parties and

   (ii) changes in the name, address, legal form, organisation type of its linked third parties;]

(b) **circumstances** affecting:

   (i) the decision to award the grant or

   (ii) compliance with requirements under the Agreement.

17.3 Consequences of non-compliance
If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 18 — KEEPING RECORDS — SUPPORTING DOCUMENTATION

18.1 Obligation to keep records and other supporting documentation

The beneficiaries must — for a period of [OPTION 1 by default: five][OPTION 2 for low value grants]: three] years after the payment of the balance — keep adequate records and other supporting documentation to prove the proper implementation of the action.

They must make them available upon request (see Article 17) or in the context of checks, reviews, audits or investigations (see Article 22).

If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the Agreement (including the extension of findings; see Article 22), the beneficiaries must keep the records and other supporting documentation until the end of these procedures.

The beneficiaries must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law. The [Commission][Agency] may accept non-original documents if it considers that they offer a comparable level of assurance.

Records and other supporting documentation on the scientific and technical implementation of the action must be in line with the accepted standards in the respective field.

The beneficiaries do not need to keep record about the costs actually incurred for implementing the action.

18.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 19 — SUBMISSION OF DELIVERABLES

19.1 Obligation to submit deliverables

---

The coordinator must submit the ‘deliverables’ identified in Annex 1, in accordance with the timing and conditions set out in it.

19.2 Consequences of non-compliance

If the coordinator breaches any of its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

ARTICLE 20 — REPORTING — PAYMENT REQUESTS

20.1 Obligation to submit reports

The coordinator must submit to the [Commission][Agency] (see Article 52) the technical and financial reports set out in this Article. These reports include the request for payment and must be drawn up using the forms and templates provided in the electronic exchange system (see Article 52).

20.2 Reporting periods

The action is divided into the following ‘reporting periods’:

- RP1: from month 1 to month [X]
- RP2: from month [X+1] to month [Y]
- RP3: from month [Y+1] to month [Z]
  [same for other RPs]
- RPN: from month [N+1] to [the last month of the project].

20.3 Periodic reports — Requests for interim payments

The coordinator must submit a periodic report within 60 days following the end of each reporting period.

The periodic report must include the following:

(a) a ‘periodic technical report’ containing:

(i) an explanation of the work carried out by the beneficiaries;

(ii) an overview of the progress towards the objectives of the action, including work packages, milestones and deliverables identified in Annex 1.

This report must include explanations justifying the differences between work expected to be carried out in accordance with Annex 1 and that actually carried out.

The report must detail the exploitation and dissemination of the results and — if required in Annex 1 — an updated ‘plan for the exploitation and dissemination of the results’;
The report must indicate the communication activities.

**OPTION for trans-national access to research infrastructure:** The report must detail the access activity, indicating the members of the selection panel, the selection procedure, the exact amount of access provided to the user groups, the description of their work, and information on the users (including names, nationality and home institutions).

**OPTION for virtual access to research infrastructure:** The report must detail the access activity, with statistics on the virtual access provided in the period, including quantity, geographical distribution of users and, whenever possible, information/statistics on scientific outcomes (publications, patents, etc.) acknowledging the use of the infrastructure.

(iii) a summary for publication by the [Commission][Agency];

(iv) the answers to the ‘questionnaire’, covering issues related to the action implementation and the economic and societal impact, notably in the context of the Horizon 2020 key performance indicators and the Horizon 2020 monitoring requirements;

(b) a ‘periodic financial report’ containing:

(i) an ‘individual financial statement’ (see Annex 4) from each beneficiary [and from each linked third party], for the reporting period concerned.

The individual financial statement must declare the lump sum shares indicated in Annex 2, for the work packages that were completed in the reporting period.

For the last reporting period, the beneficiaries may exceptionally also declare partial lump sum shares for work packages that were not completed (e.g. due to scientific or technical reasons), if agreed by the [Commission][Agency].

Lump sum shares which are not declared in the financial statement will not be taken into account by the [Commission][Agency].

Each beneficiary [and each linked third party] must certify that:

- the information provided is full, reliable and true;
- the work packages have been completed and that the action in general has been properly implemented (see Article 7);
- the proper implementation can be substantiated by adequate records and supporting documentation (see Article 18) that will be produced upon request (see Article 17) or in the context of checks, reviews, audits and investigations (see Article 22).
(ii) an explanation of the use of resources: not applicable;

(iii) [OPTION 1 if the JRC is a beneficiary: information on the amount of each interim payment and payment of the balance to be paid by the [Commission]/[Agency] to the Joint Research Centre (JRC);][OPTION 2: not applicable;]

(iv) a ‘periodic summary financial statement’, created automatically by the electronic exchange system, consolidating the individual financial statements for the reporting period concerned and including — except for the last reporting period — the request for interim payment.

20.4 Final report — Request for payment of the balance

In addition to the periodic report for the last reporting period, the coordinator must submit the final report within 60 days following the end of the last reporting period.

The final report must include the following:

(a) a ‘final technical report’ with a summary for publication containing:

   (i) an overview of the results and their exploitation and dissemination;

   (ii) the conclusions on the action, and

   (iii) the socio-economic impact of the action.

(b) a ‘final financial report’ containing a ‘final summary financial statement’, created automatically by the electronic exchange system, consolidating the financial statements for all reporting periods and including the request for payment of the balance.

20.5 Information on cumulative expenditure incurred

Not applicable

20.6 Currency for financial statements

Financial statements must be drafted in euro.

20.7 Language of reports

All reports (technical and financial reports, including financial statements) must be submitted in the language of the Agreement.

20.8 Consequences of non-compliance
If the reports submitted do not comply with this Article, the [Commission][Agency] may suspend the payment deadline (see Article 47) and apply any of the other measures described in Chapter 6.

If the coordinator breaches its obligation to submit the reports and if it fails to comply with this obligation within 30 days following a written reminder, the [Commission][Agency] may terminate the Agreement (see Article 50) or apply any of the other measures described in Chapter 6.

ARTICLE 21 — PAYMENTS AND PAYMENT ARRANGEMENTS

21.1 Payments to be made

The following payments will be made to the coordinator:

- one **pre-financing payment**;

- one or more **interim payments**, on the basis of the request(s) for interim payment (see Article 20), and

- one **payment of the balance**, on the basis of the request for payment of the balance (see Article 20)

21.2 Pre-financing payment — Amount — Amount retained for the Guarantee Fund

The aim of the pre-financing is to provide the beneficiaries with a float.

It remains the property of the EU until the payment of the balance.

The amount of the pre-financing payment will be EUR [**insert amount** (insert amount in words)].

The [Commission][Agency] will — except if Article 48 applies — make the pre-financing payment to the coordinator within 30 days, either from the entry into force of the Agreement (see Article 58) or from 10 days before the starting date of the action (see Article 3), whichever is the latest.

An amount of EUR [**insert amount** (insert amount in words)], corresponding to 5% of the maximum grant amount (see Article 5.1), is retained by the [Commission][Agency] from the pre-financing payment and transferred into the ‘Guarantee Fund’.

**[OPTION if the JRC is a beneficiary: Moreover, the part of the pre-financing payment related to the Joint Research Centre (JRC) ([**insert amount** (insert amount in words)]) is not paid to the coordinator, but kept by the [Commission][Agency] for the JRC.]**

21.3 Interim payments — Amount — Calculation

Interim payments pay the lump sum shares for work packages completed during the corresponding reporting periods.
The [Commission][Agency] will pay to the coordinator the amount due as interim payment within 90 days from receiving the periodic report (see Article 20.3), except if Articles 47 or 48 apply.

Payment is subject to the approval of the periodic report and the lump sum shares and work packages declared. Their approval does not imply recognition of the compliance, authenticity, completeness or correctness of their content.

Work packages that have not been completed in time or cannot be approved at the time of an interim payment may be submitted (again) for the next reporting period (or any other future reporting period, after they have been completed).

The **amount due as interim payment** is calculated by the [Commission][Agency] in the following steps:

- **Step 1** — Calculation of the lump sum shares for the approved work packages
- **Step 2** — Limit to 90% of the maximum grant amount

**21.3.1 Step 1 — Calculation of the lump sum shares for the approved work packages**

The amounts of the lump sum shares (see Annex 2) for the approved work packages declared by the beneficiaries [and linked third parties] for the concerned reporting period are added together.

**21.3.2 Step 2 — Limit to 90% of the maximum grant amount**

The total amount of pre-financing and interim payments must not exceed 90% of the maximum grant amount set out in Article 5.1. The maximum amount for the interim payment will be calculated as follows:

\[
\{ \text{90\% of the maximum grant amount (see Article 5.1)} \}
\]

\[
\text{minus}
\]

\[
\{ \text{pre-financing and previous interim payments} \}
\].

**21.4 Payment of the balance — Amount — Calculation — Release of the amount retained for the Guarantee Fund**

The payment of the balance reimburses the remaining lump sum shares for the implementation of the action.

If the total amount of earlier payments is greater than the final grant amount (see Article 5.3), the payment of the balance takes the form of a recovery (see Article 44).
If the total amount of earlier payments is lower than the final grant amount, the [Commission]/[Agency] will pay the balance within 90 days from receiving the final report (see Article 20.4), except if Articles 47 or 48 apply.

Payment is subject to the approval of the final report and the lump sum shares and work packages declared. Their approval does not imply recognition of the compliance, authenticity, completeness or correctness of their content.

Incomplete work packages and work packages that have not been delivered or cannot be approved at the payment of the balance will reduce the grant (see Articles 5 and 43).

The amount due as the balance is calculated by the [Commission]/[Agency] by deducting the total amount of pre-financing and interim payments (if any) already made, from the final grant amount determined in accordance with Article 5.3:

\[
\text{final grant amount (see Article 5.3)} - \text{pre-financing and interim payments (if any made)}
\]

At the payment of the balance, the amount retained for the Guarantee Fund (see above) will be released and:

- if the balance is positive: the amount released will be paid in full to the coordinator together with the amount due as the balance;
- if the balance is negative (payment of the balance taking the form of recovery): it will be deducted from the amount released (see Article 44.1.2). If the resulting amount:
  - is positive, it will be paid to the coordinator
  - is negative, it will be recovered.

The amount to be paid may however be offset — without the beneficiaries’ consent — against any other amount owed by a beneficiary to the [Agency, the] Commission or an [other] executive agency (under the EU or Euratom budget), up to the maximum grant amount indicated, for that beneficiary, in the estimated lump sum breakdown (see Annex 2).

21.5 Notification of amounts due

When making payments, the [Commission][Agency] will formally notify to the coordinator the amount due, specifying whether it concerns an interim payment or the payment of the balance.

For the payment of the balance, the notification will also specify the final grant amount.
In the case of reduction of the grant or recovery of undue amounts, the notification will be preceded by the contradictory procedure set out in Articles 43 and 44.

21.6 Currency for payments

The [Commission][Agency] will make all payments in euro.

21.7 Payments to the coordinator — Distribution to the beneficiaries

Payments will be made to the coordinator.

Payments to the coordinator will discharge the [Commission][Agency] from its payment obligation.

The coordinator must distribute the payments between the beneficiaries without unjustified delay.

Pre-financing may however be distributed only:

(a) if the minimum number of beneficiaries set out in the call for proposals has acceded to the Agreement (see Article 56) and

(b) to beneficiaries that have acceded to the Agreement (see Article 56).

21.8 Bank account for payments

All payments will be made to the following bank account:

Name of bank: [...]
Full name of the account holder: [...
Full account number (including bank codes): [...
[IBAN code: [...]]

21.9 Costs of payment transfers

The cost of the payment transfers is borne as follows:

- the [Commission][Agency] bears the cost of transfers charged by its bank;
- the beneficiary bears the cost of transfers charged by its bank;
- the party causing a repetition of a transfer bears all costs of the repeated transfer.

21.10 Date of payment

---

17 BIC or SWIFT code applies to for countries if the IBAN code does not apply.
Payments by the [Commission]/[Agency] are considered to have been carried out on the date when they are debited to its account.

21.11 Consequences of non-compliance

21.11.1 If the [Commission]/[Agency] does not pay within the payment deadlines (see above), the beneficiaries are entitled to late-payment interest at the rate applied by the European Central Bank (ECB) for its main refinancing operations in euros (‘reference rate’), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the payment deadline expires, as published in the C series of the Official Journal of the European Union.

If the late-payment interest is lower than or equal to EUR 200, it will be paid to the coordinator only upon request submitted within two months of receiving the late payment.

Late-payment interest is not due if all beneficiaries are EU Member States (including regional and local government authorities or other public bodies acting on behalf of a Member State for the purpose of this Agreement).

Suspension of the payment deadline or payments (see Articles 47 and 48) will not be considered as late payment.

Late-payment interest covers the period running from the day following the due date for payment (see above), up to and including the date of payment.

Late-payment interest is not considered for the purposes of calculating the final grant amount.

21.11.2 If the coordinator breaches any of its obligations under this Article, the grant may be reduced (see Article 43) and the Agreement or the participation of the coordinator may be terminated (see Article 50).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 22 — CHECKS, REVIEWS, AUDITS AND INVESTIGATIONS — EXTENSION OF FINDINGS

22.1 Checks, reviews and audits by the [Agency and the] Commission

22.1.1 Right to carry out checks

The [Agency or the] Commission will — during the implementation of the action or afterwards — check the proper implementation of the action and compliance with the obligations under the Agreement, including assessing deliverables and reports.

For this purpose the [Agency or the] Commission may be assisted by external persons or bodies.
The [Agency or the] Commission may also request additional information in accordance with Article 17. The [Agency or the] Commission may request beneficiaries to provide such information to it directly.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

22.1.2 Right to carry out reviews

The [Agency or the] Commission may — during the implementation of the action or afterwards — carry out reviews on the proper implementation of the action (including assessment of deliverables and reports), compliance with the obligations under the Agreement and continued scientific or technological relevance of the action.

Reviews may be started up to two years after the payment of the balance. They will be formally notified to the coordinator or beneficiary concerned and will be considered to have started on the date of the formal notification.

If the review is carried out on a third party (see Articles 10 to 16), the beneficiary concerned must inform the third party.

The [Agency or the] Commission may carry out reviews directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the coordinator or beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The coordinator or beneficiary concerned must provide — within the deadline requested — any information and data in addition to deliverables and reports already submitted. The [Agency or the] Commission may request beneficiaries to provide such information to it directly.

The coordinator or beneficiary concerned may be requested to participate in meetings, including with external experts.

For on-the-spot reviews, the beneficiaries must allow access to their sites and premises, including to external persons or bodies, and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the review findings, a ‘review report’ will be drawn up.

The [Agency or the] Commission will formally notify the review report to the coordinator or beneficiary concerned, which has 30 days to formally notify observations (‘contradictory review procedure’).

Reviews (including review reports) are in the language of the Agreement.
22.1.3 Right to carry out audits

The [Agency or the] Commission may — during the implementation of the action or afterwards — carry out audits on the proper implementation of the action and compliance with the obligations under the Agreement.

Audits may be started up to two years after the payment of the balance. They will be formally notified to the coordinator or beneficiary concerned and will be considered to have started on the date of the formal notification.

If the audit is carried out on a third party (see Articles 10 to 16), the beneficiary concerned must inform the third party.

The [Agency or the] Commission may carry out audits directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the coordinator or beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The coordinator or beneficiary concerned must provide — within the deadline requested — any information to verify compliance with the Agreement. The [Agency or the] Commission may request beneficiaries to provide such information to it directly.

For on-the-spot audits, the beneficiaries must allow access to their sites and premises, including to external persons or bodies, and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the audit findings, a ‘draft audit report’ will be drawn up.

The [Agency or the] Commission will formally notify the draft audit report to the coordinator or beneficiary concerned, which has 30 days to formally notify observations (‘contradictory audit procedure’). This period may be extended by the [Agency or the] Commission in justified cases.

The ‘final audit report’ will take into account observations by the coordinator or beneficiary concerned. The report will be formally notified to it.

Audits (including audit reports) are in the language of the Agreement.

The [Agency or the] Commission may also access the beneficiaries’ statutory records for the periodical assessment of the lump sum.

22.2 Investigations by the European Anti-Fraud Office (OLAF)
Under Regulations No 883/2013 and No 2185/96 (and in accordance with their provisions and procedures), the European Anti-Fraud Office (OLAF) may — at any moment during implementation of the action or afterwards — carry out investigations, including on-the-spot checks and inspections, to establish whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the EU.

22.3 Checks and audits by the European Court of Auditors (ECA)

Under Article 287 of the Treaty on the Functioning of the European Union (TFEU) and Article 161 of the Financial Regulation No 966/2012, the European Court of Auditors (ECA) may — at any moment during implementation of the action or afterwards — carry out audits.

The ECA has the right of access for the purpose of checks and audits.

22.4 Checks, reviews, audits and investigations for international organisations

[OPTION 1 for international organisations: In conformity with its financial regulations, the European Union, including the European Anti-Fraud Office (OLAF) and the European Court of Auditors (ECA), may undertake, including on the spot, checks, reviews, audits and investigations.

This Article will be applied in accordance with any specific agreement concluded in this respect by the international organisation and the European Union.]

[OPTION 2: Not applicable]

22.5 Consequences of findings in checks, reviews, audits and investigations — Extension of findings

22.5.1 Findings in this grant

Findings in checks, reviews, audits or investigations carried out in the context of this grant may lead to the reduction of the grant (see Article 43), recovery of undue amounts (see Article 44) or to any of the other measures described in Chapter 6.

Reduction of the grant after the payment of the balance will lead to a revised final grant amount (see Article 5.4).

---


Findings in checks, reviews, audits or investigations may lead to a request for amendment for the modification of Annex 1 (see Article 55).

Checks, reviews, audits or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations may also lead to consequences in other EU or Euratom grants awarded under similar conditions (‘extension of findings from this grant to other grants’).

Moreover, findings arising from an OLAF investigation may lead to criminal prosecution under national law.

### 22.5.2 Findings in other grants

The [Agency or the] Commission may extend findings from other grants to this grant (‘extension of findings from other grants to this grant’), if:

1. The [Agency or the] beneficiary concerned is found, in other EU or Euratom grants awarded under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant and

2. Those findings are formally notified to the beneficiary concerned — together with the list of grants affected by the findings — no later than two years after the payment of the balance of this grant.

The extension of findings may lead to the reduction of the grant (see Article 43), recovery of undue amounts (see Article 44), suspension of payments (see Article 48), suspension of the action implementation (see Article 49) or termination (see Article 50).

### 22.5.3 Procedure

The [Agency or the] Commission will formally notify the beneficiary concerned the systemic or recurrent errors and its intention to extend these audit findings, together with the list of grants affected.

The formal notification will include:

1. An invitation to submit observations on the list of grants affected by the findings and

2. The flat-rate the [Agency or the] Commission intends to apply according to the principle of proportionality.

The beneficiary concerned has 90 days from receiving notification to submit observations or to propose a duly substantiated alternative flat-rate.

The [Agency or the] Commission may then start a reduction procedure in accordance with Article 43, on the basis of:

- the proposed alternative flat-rate, if accepted
22.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

ARTICLE 23 — EVALUATION OF THE IMPACT OF THE ACTION

23.1 Right to evaluate the impact of the action

The [Agency or the] Commission may carry out interim and final evaluations of the impact of the action measured against the objective of the [EU][Euratom] programme.

Evaluations may be started during implementation of the action and up to [OPTION 1 by default: five] [OPTION 2 for low value grants: three] years after the payment of the balance. The evaluation is considered to start on the date of the formal notification to the coordinator or beneficiaries.

The [Agency or the] Commission may make these evaluations directly (using its own staff) or indirectly (using external bodies or persons it has authorised to do so).

The coordinator or beneficiaries must provide any information relevant to evaluate the impact of the action, including information in electronic format.

23.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

SECTION 3 RIGHTS AND OBLIGATIONS RELATED TO BACKGROUND AND RESULTS

SUBSECTION 1 GENERAL

ARTICLE 23a — MANAGEMENT OF INTELLECTUAL PROPERTY

23a.1 Obligation to take measures to implement the Commission Recommendation on the management of intellectual property in knowledge transfer activities

Beneficiaries that are universities or other public research organisations must take measures to implement the principles set out in Points 1 and 2 of the Code of Practice annexed to the
Commission Recommendation on the management of intellectual property in knowledge transfer activities\textsuperscript{21}.

This does not change the obligations set out in Subsections 2 and 3 of this Section.

The beneficiaries must ensure that researchers and third parties involved in the action are aware of them.

23a.2 Consequences of non-compliance

If a beneficiary breaches its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

SUBSECTION 2 RIGHTS AND OBLIGATIONS RELATED TO BACKGROUND

ARTICLE 24 — AGREEMENT ON BACKGROUND

24.1 Agreement on background

The beneficiaries must identify and agree (in writing) on the background for the action (‘agreement on background’).

‘Background’ means any data, know-how or information — whatever its form or nature (tangible or intangible), including any rights such as intellectual property rights — that:

(a) is held by the beneficiaries before they acceded to the Agreement, and

(b) is needed to implement the action or exploit the results.

24.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 25 — ACCESS RIGHTS TO BACKGROUND

25.1 Exercise of access rights — Waiving of access rights — No sub-licensing

To exercise access rights, this must first be requested in writing (‘request for access’).

\textsuperscript{21} Commission Recommendation C(2008) 1329 of 10.4.2008 on the management of intellectual property in knowledge transfer activities and the Code of Practice for universities and other public research institutions attached to this recommendation.
'Access rights’ means rights to use results or background under the terms and conditions laid down in this Agreement.

Waivers of access rights are not valid unless in writing.

Unless agreed otherwise, access rights do not include the right to sub-license.

25.2 Access rights for other beneficiaries, for implementing their own tasks under the action

The beneficiaries must give each other access — on a royalty-free basis — to background needed to implement their own tasks under the action, unless the beneficiary that holds the background has — before acceding to the Agreement —:

(a) informed the other beneficiaries that access to its background is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel), or

(b) agreed with the other beneficiaries that access would not be on a royalty-free basis.

25.3 Access rights for other beneficiaries, for exploiting their own results

The beneficiaries must give each other access — under fair and reasonable conditions — to background needed for exploiting their own results, unless the beneficiary that holds the background has — before acceding to the Agreement — informed the other beneficiaries that access to its background is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel).

‘Fair and reasonable conditions’ means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

25.4 Access rights for affiliated entities

Unless otherwise agreed in the consortium agreement, access to background must also be given — under fair and reasonable conditions (see above; Article 25.3) and unless it is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel) — to affiliated entities established in an EU Member State or

For the definition see Article 2.1(2) Rules for Participation Regulation No 1290/2013: ‘affiliated entity’ means any legal entity that is:
- under the direct or indirect control of a participant, or
- under the same direct or indirect control as the participant, or
- directly or indirectly controlling a participant.
‘associated country’, if this is needed to exploit the results generated by the beneficiaries to which they are affiliated.

Unless agreed otherwise (see above; Article 25.1), the affiliated entity concerned must make the request directly to the beneficiary that holds the background.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

25.5 Access rights for third parties

[OPTION 1 for trans-national access to research infrastructure: The access provider must — unless it is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel) — give users royalty-free access to background needed to implement the action.

The access provider must inform the users as soon as possible of any restriction which might substantially affect the granting of access rights.]

[OPTION 2: Not applicable:]

25.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

‘Control’ may take any of the following forms:

(a) the direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned, or of a majority of the voting rights of the shareholders or associates of that entity;

(b) the direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.

However, the following relationships between legal entities shall not in themselves constitute controlling relationships:

(a) the same public investment corporation, institutional investor or venture-capital company has a direct or indirect holding of more than 50% of the nominal value of the issued share capital or a majority of voting rights of the shareholders or associates;

(b) the legal entities concerned are owned or supervised by the same public body.

23 For the definition, see Article 2.1(3) Rules for Participation Regulation No 1290/2013: ‘associated country’ means a third country which is party to an international agreement with the Union, as identified in [OPTION 1 for EU grants: Article 7 of the H2020 Framework Programme Regulation No 1291/2013.

SUBSECTION 3 RIGHTS AND OBLIGATIONS RELATED TO RESULTS

ARTICLE 26 — OWNERSHIP OF RESULTS

26.1 Ownership by the beneficiary that generates the results

Results are owned by the beneficiary that generates them.

‘Results’ means any (tangible or intangible) output of the action such as data, knowledge or information — whatever its form or nature, whether it can be protected or not — that is generated in the action, as well as any rights attached to it, including intellectual property rights.

26.2 Joint ownership by several beneficiaries

Two or more beneficiaries own results jointly if:

(a) they have jointly generated them and

(b) it is not possible to:

(i) establish the respective contribution of each beneficiary, or

(ii) separate them for the purpose of applying for, obtaining or maintaining their protection (see Article 27).

The joint owners must agree (in writing) on the allocation and terms of exercise of their joint ownership (‘joint ownership agreement’), to ensure compliance with their obligations under this Agreement.

Unless otherwise agreed in the joint ownership agreement, each joint owner may grant non-exclusive licences to third parties to exploit jointly-owned results (without any right to sub-license), if the other joint owners are given:

(a) at least 45 days advance notice and

(b) fair and reasonable compensation.

Once the results have been generated, joint owners may agree (in writing) to apply another regime than joint ownership (such as, for instance, transfer to a single owner (see Article 30) with access rights for the others).

26.3 Rights of third parties (including personnel)

If third parties (including personnel) may claim rights to the results, the beneficiary concerned must ensure that it complies with its obligations under the Agreement.
If a third party generates results, the beneficiary concerned must obtain all necessary rights (transfer, licences or other) from the third party, in order to be able to respect its obligations as if those results were generated by the beneficiary itself.

If obtaining the rights is impossible, the beneficiary must refrain from using the third party to generate the results.

**26.4 [EU][Euratom][Agency] ownership, to protect results**

26.4.1 [The EU][Euratom][The Agency] may — with the consent of the beneficiary concerned — assume ownership of results to protect them, if a beneficiary intends — up to four years after the period set out in Article 3 — to disseminate its results without protecting them, except in any of the following cases:

(a) the lack of protection is because protecting the results is not possible, reasonable or justified (given the circumstances);

(b) the lack of protection is because there is a lack of potential for commercial or industrial exploitation, or

(c) the beneficiary intends to transfer the results to another beneficiary or third party established in an EU Member State or associated country, which will protect them.

Before the results are disseminated and unless any of the cases above under Points (a), (b) or (c) applies, the beneficiary must formally notify the [Commission][Agency] and at the same time inform it of any reasons for refusing consent. The beneficiary may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the [Commission][Agency] decides to assume ownership, it will formally notify the beneficiary concerned within 45 days of receiving notification.

No dissemination relating to these results may take place before the end of this period or, if the [Commission][Agency] takes a positive decision, until it has taken the necessary steps to protect the results.

26.4.2 [The EU][Euratom][The Agency] may — with the consent of the beneficiary concerned — assume ownership of results to protect them, if a beneficiary intends — up to four years after the period set out in Article 3 — to stop protecting them or not to seek an extension of protection, except in any of the following cases:

(a) the protection is stopped because of a lack of potential for commercial or industrial exploitation;

(b) an extension would not be justified given the circumstances.

A beneficiary that intends to stop protecting results or not seek an extension must — unless any of the cases above under Points (a) or (b) applies — formally notify the [Commission][Agency] at least 60 days before the protection lapses or its extension is no longer possible and at the same time inform it of any reasons for refusing consent. The
beneficiary may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the [Commission][Agency] decides to assume ownership, it will formally notify the beneficiary concerned within 45 days of receiving notification.

26.5 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 27 — PROTECTION OF RESULTS — VISIBILITY OF EU FUNDING

27.1 Obligation to protect the results

Each beneficiary must examine the possibility of protecting its results and must adequately protect them — for an appropriate period and with appropriate territorial coverage — if:

(a) the results can reasonably be expected to be commercially or industrially exploited and

(b) protecting them is possible, reasonable and justified (given the circumstances).

When deciding on protection, the beneficiary must consider its own legitimate interests and the legitimate interests (especially commercial) of the other beneficiaries.

27.2 [EU][Euratom][Agency] ownership, to protect the results

If a beneficiary intends not to protect its results, to stop protecting them or not seek an extension of protection, [the EU][Euratom][the Agency] may — under certain conditions (see Article 26.4) — assume ownership to ensure their (continued) protection.

27.3 Information on EU funding

Applications for protection of results (including patent applications) filed by or on behalf of a beneficiary must — unless the [Commission][Agency] requests or agrees otherwise or unless it is impossible — include the following:

“The project leading to this application has received funding from the [European Union’s Horizon 2020 research and innovation programme][Euratom research and training programme 2014-2018] under grant agreement No [number]”.

27.4 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).
Such a breach may also lead to any of the other measures described in Chapter 6.

**ARTICLE 28 — EXPLOITATION OF RESULTS**

**28.1 Obligation to exploit the results**

Each beneficiary must — up to four years after the period set out in Article 3 — take measures aiming to ensure ‘exploitation’ of its results (either directly or indirectly, in particular through transfer or licensing; see Article 30) by:

(a) using them in further research activities (outside the action);

(b) developing, creating or marketing a product or process;

(c) creating and providing a service, or

(d) using them in standardisation activities.

*OPTION for additional exploitation obligations if foreseen in the work programme: In addition, the beneficiaries must — up to four years after the period set out in Article 3 — comply with the additional exploitation obligations set out in Annex 1.*

This does not change the security obligations in Article 37, which still apply.

**28.2 Results that could contribute to European or international standards — Information on EU funding**

*OPTION for results that could contribute to standards if foreseen in the work programme: If results could reasonably be expected to contribute to European or international standards, the beneficiary concerned must — up to four years after the period set out in Article 3 — inform the [Commission][Agency].*

If results are incorporated in a standard, the beneficiary concerned must — unless the [Commission][Agency] requests or agrees otherwise or unless it is impossible — ask the standardisation body to include the following statement in (information related to) the standard:

“Results incorporated in this standard received funding from the [European Union’s Horizon 2020 research and innovation programme][Euratom research and training programme 2014-2018] under grant agreement No [Number].”

**28.3 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced in accordance with Article 43.

Such a breach may also lead to any of the other measures described in Chapter 6.
ARTICLE 29 — DISSEMINATION OF RESULTS — OPEN ACCESS — VISIBILITY OF EU FUNDING

29.1 Obligation to disseminate results

Unless it goes against their legitimate interests, each beneficiary must — as soon as possible — ‘disseminate’ its results by disclosing them to the public by appropriate means (other than those resulting from protecting or exploiting the results), including in scientific publications (in any medium).

[OPTION for additional dissemination obligations if foreseen in the work programme: In addition, the beneficiaries must comply with the additional dissemination obligations set out in Annex 1.]

[OPTION for additional dissemination obligations for interoperability if foreseen in the work programme: Moreover, the beneficiaries must — up to four years after the period set out in Article 3 — disseminate any technical specifications of the results that are needed for interoperability.]

[OPTION for additional dissemination obligations for cross-border interoperability if foreseen in the work programme: Moreover, the beneficiaries must — up to four years after the period set out in Article 3 — disseminate the deliverables relating to cross-border interoperability (see Annex 1) and any results needed for cross-border interoperability (in particular common technical specifications and software components).]

This does not change the obligation to protect results in Article 27, the confidentiality obligations in Article 36, the security obligations in Article 37 or the obligations to protect personal data in Article 39, all of which still apply.

A beneficiary that intends to disseminate its results must give advance notice to the other beneficiaries of — unless agreed otherwise — at least 45 days, together with sufficient information on the results it will disseminate.

Any other beneficiary may object within — unless agreed otherwise — 30 days of receiving notification, if it can show that its legitimate interests in relation to the results or background would be significantly harmed. In such cases, the dissemination may not take place unless appropriate steps are taken to safeguard these legitimate interests.

If a beneficiary intends not to protect its results, it may — under certain conditions (see Article 26.4.1) — need to formally notify the [Commission]/[Agency] before dissemination takes place.

29.2 Open access to scientific publications

Each beneficiary must ensure open access (free of charge, online access for any user) to all peer-reviewed scientific publications relating to its results.

In particular, it must:
(a) as soon as possible and at the latest on publication, deposit a machine-readable electronic copy of the published version or final peer-reviewed manuscript accepted for publication in a repository for scientific publications;

Moreover, the beneficiary must aim to deposit at the same time the research data needed to validate the results presented in the deposited scientific publications.

(b) ensure open access to the deposited publication — via the repository — at the latest:

(i) on publication, if an electronic version is available for free via the publisher, or

(ii) within six months of publication (twelve months for publications in the social sciences and humanities) in any other case.

(c) ensure open access — via the repository — to the bibliographic metadata that identify the deposited publication.

The bibliographic metadata must be in a standard format and must include all of the following:

- the terms ["European Union (EU)" and "Horizon 2020"] ["Euratom" and Euratom research and training programme 2014-2018"];
- the name of the action, acronym and grant number;
- the publication date, and length of embargo period if applicable, and
- a persistent identifier.

29.3 Open access to research data

[OPTION 1a for actions participating in the Open Research Data Pilot: Regarding the digital research data generated in the action (‘data’), the beneficiaries must:

(a) deposit in a research data repository and take measures to make it possible for third parties to access, mine, exploit, reproduce and disseminate — free of charge for any user — the following:

(i) the data, including associated metadata, needed to validate the results presented in scientific publications, as soon as possible;

(ii) [OPTION A for health actions that participate in the Open Research Data Pilot, if foreseen in the work programme: data which is relevant for addressing a public health emergency, if specifically requested by the [Commission]/[Agency] and within the deadline specified in the request][OPTION B: not applicable];
(iii) other data, including associated metadata, as specified and within the deadlines laid down in the ‘data management plan’ (see Annex 1);

(b) provide information — via the repository — about tools and instruments at the disposal of the beneficiaries and necessary for validating the results (and — where possible — provide the tools and instruments themselves).

This does not change the obligation to protect results in Article 27, the confidentiality obligations in Article 36, the security obligations in Article 37 or the obligations to protect personal data in Article 39, all of which still apply.

As an exception, the beneficiaries do not have to ensure open access to specific parts of their research data under Point (a)(i) and (iii), if the achievement of the action's main objective (as described in Annex 1) would be jeopardised by making those specific parts of the research data openly accessible. In this case, the data management plan must contain the reasons for not giving access.

[additional OPTION for health actions that participate in the Open Research Data Pilot, if foreseen in the work programme: As an exception, the beneficiaries do not have to ensure open access also to the research data under Point (a)(ii), if the [Commission][Agency] agrees to replace the open access obligation by special access rights for third parties that need the data to address the public health emergency. These access rights must include the right to access, mine, exploit and reproduce the data free of charge.]

[OPTION 1b for health actions that do NOT participate in the Open Research Data Pilot, if foreseen in the work programme: The [Commission][Agency] may require beneficiaries to:

(a) deposit digital research data, which is generated in the action and relevant for addressing a public health emergency, in a research data repository and take measures to make it possible for third parties to access, mine, exploit, reproduce and disseminate the data free of charge for any user

or

(b) give specific access rights to third parties that need the digital research data to address the public health emergency (including the right to access, mine, exploit and reproduce the data free of charge)

within the deadline specified in the [Commission][Agency]’s request.

This does not change the obligation to protect results in Article 27, the confidentiality obligations in Article 36, the security obligations in Article 37 or the obligations to protect personal data in Article 39, all of which still apply.]

[OPTION 1c for health actions targeting public health emergencies, if foreseen in the work programme: The beneficiaries must deposit the digital research data generated in the action in a research data repository and take measures to make it possible for third parties to
access, mine, exploit, reproduce and disseminate the data free of charge for any user, at the latest within 30 days after it has been generated.

This does not change the obligation to protect results in Article 27, the confidentiality obligations in Article 36, the security obligations in Article 37 or the obligations to protect personal data in Article 39, all of which still apply.

As an exception, the beneficiaries do not have to ensure open access, if the [Commission][Agency] agrees to replace the open access obligation by special access rights for third parties that need the research data to address the public health emergency. These access rights must include the right to access, mine, exploit and reproduce the data free of charge.

[OPTION 2: Not applicable;]

29.4 Information on EU funding — Obligation and right to use the EU emblem

Unless the [Commission][Agency] requests or agrees otherwise or unless it is impossible, any dissemination of results (in any form, including electronic) must:

(a) display the EU emblem and

(b) include the following text:

“This project has received funding from the [European Union’s Horizon 2020 research and innovation programme][Euratom research and training programme 2014-2018] under grant agreement No [Number].”

When displayed together with another logo, the EU emblem must have appropriate prominence.

For the purposes of their obligations under this Article, the beneficiaries may use the EU emblem without first obtaining approval from the [Commission][Agency].

This does not however give them the right to exclusive use.

Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

29.5 Disclaimer excluding [Commission] [Agency] responsibility

Any dissemination of results must indicate that it reflects only the author's view and that the [Commission][Agency] is not responsible for any use that may be made of the information it contains.

29.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).
Such a breach may also lead to any of the other measures described in Chapter 6.

**ARTICLE 30 — TRANSFER AND LICENSING OF RESULTS**

**30.1 Transfer of ownership**

Each beneficiary may transfer ownership of its results.

It must however ensure that its obligations under Articles 26.2, 26.4, 27, 28, 29, 30 and 31 also apply to the new owner and that this owner has the obligation to pass them on in any subsequent transfer.

This does not change the security obligations in Article 37, which still apply.

Unless agreed otherwise (in writing) for specifically-identified third parties or unless impossible under applicable EU and national laws on mergers and acquisitions, a beneficiary that intends to transfer ownership of results must give at least 45 days advance notice (or less if agreed in writing) to the other beneficiaries that still have (or still may request) access rights to the results. This notification must include sufficient information on the new owner to enable any beneficiary concerned to assess the effects on its access rights.

Unless agreed otherwise (in writing) for specifically-identified third parties, any other beneficiary may object within 30 days of receiving notification (or less if agreed in writing), if it can show that the transfer would adversely affect its access rights. In this case, the transfer may not take place until agreement has been reached between the beneficiaries concerned.

**30.2 Granting licences**

Each beneficiary may grant licences to its results (or otherwise give the right to exploit them), if:

(a) this does not impede the access rights under Article 31 and

(b) **[OPTION 1 if additional exploitation obligations in Annex 1: the beneficiary complies with its additional exploitation obligations (see Article 28.1 and Annex 1)]**

**[OPTION 2: not applicable].**

In addition to Points (a) and (b), exclusive licences for results may be granted only if all the other beneficiaries concerned have waived their access rights (see Article 31.1).

This does not change the dissemination obligations in Article 29 or security obligations in Article 37, which still apply.

**30.3 [Commission]/[Agency] right to object to transfers or licensing**
[OPTION 1 for EU grants: The [Commission][Agency] may — up to four years after the period set out in Article 3 — object to a transfer of ownership or the exclusive licensing of results, if:

(a) it is to a third party established in a non-EU country not associated with Horizon 2020 and

(b) the [Commission][Agency] considers that the transfer or licence is not in line with EU interests regarding competitiveness or is inconsistent with ethical principles or security considerations.

A beneficiary that intends to transfer ownership or grant an exclusive licence must formally notify the [Commission][Agency] before the intended transfer or licensing takes place and:

- identify the specific results concerned;

- describe in detail the new owner or licensee and the planned or potential exploitation of the results, and

- include a reasoned assessment of the likely impact of the transfer or licence on EU competitiveness and its consistency with ethical principles and security considerations.

The [Commission][Agency] may request additional information.

If the [Commission][Agency] decides to object to a transfer or exclusive licence, it must formally notify the beneficiary concerned within 60 days of receiving notification (or any additional information it has requested).

No transfer or licensing may take place in the following cases:

- pending the [Commission][Agency] decision, within the period set out above;

- if the [Commission][Agency] objects;

- until the conditions are complied with, if the [Commission][Agency] objection comes with conditions.]

[OPTION 2 for Euratom grants: The Commission may [OPTION:— up to four years after the period set out in Article 3 —] object to a transfer of ownership or the exclusive or non-exclusive licensing of results, if:

(a) it is to a third party established in a non-EU country not associated to the Euratom research and training programme 2014-2018, and

(b) the Commission considers that the transfer or licence is not in line with the EU interests regarding competitiveness or is inconsistent with ethical principles or security considerations.
Security considerations include the defence interests of the Member States under Article 24 of the Euratom Treaty.

A beneficiary that intends to transfer ownership or grant a licence must formally notify the Commission before the intended transfer or licensing takes place and:

- identify the specific results concerned;
- describe in detail the results, the new owner or licensee and the planned or potential exploitation of the results, and
- include a reasoned assessment of the likely impact of the transfer or licence on EU competitiveness and its consistency with ethical principles and security considerations.

The Commission may request additional information.

If the Commission decides to object to a transfer or licence, it will formally notify the beneficiary concerned within 60 days of receiving notification (or any additional information requested).

No transfer or licensing may take place in the following cases:

- pending the Commission decision, within the period set out above;
- if the Commission objects;
- until the conditions are complied with, if the Commission objection comes with conditions.

[OPTION 3: Not applicable]

30.4 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such a breach may also lead to any of the other measures described in Chapter 6.

ARTICLE 31 — ACCESS RIGHTS TO RESULTS

31.1 Exercise of access rights — Waiving of access rights — No sub-licensing

The conditions set out in Article 25.1 apply.

The obligations set out in this Article do not change the security obligations in Article 37, which still apply.
31.2 Access rights for other beneficiaries, for implementing their own tasks under the action

The beneficiaries must give each other access — on a royalty-free basis — to results needed for implementing their own tasks under the action.

31.3 Access rights for other beneficiaries, for exploiting their own results

The beneficiaries must give each other — under fair and reasonable conditions (see Article 25.3) — access to results needed for exploiting their own results.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

31.4 Access rights of affiliated entities

Unless agreed otherwise in the consortium agreement, access to results must also be given — under fair and reasonable conditions (Article 25.3) — to affiliated entities established in an EU Member State or associated country, if this is needed for those entities to exploit the results generated by the beneficiaries to which they are affiliated.

Unless agreed otherwise (see above; Article 31.1), the affiliated entity concerned must make any such request directly to the beneficiary that owns the results.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

31.5 Access rights for the EU institutions, bodies, offices or agencies and EU Member States

[OPTION 1 by default for EU grants: The beneficiaries must give access to their results — on a royalty-free basis — to EU institutions, bodies, offices or agencies, for developing, implementing or monitoring EU policies or programmes.

Such access rights are limited to non-commercial and non-competitive use.

This does not change the right to use any material, document or information received from the beneficiaries for communication and publicising activities (see Article 38.2).]

[OPTION 2 for calls under Specific Objective ‘Secure societies - Protecting freedom and security of Europe and its citizens’: The beneficiaries must give access to their results — on a royalty-free basis — to EU institutions, bodies, offices and agencies as well as EU Member States’ national authorities, necessary for developing, implementing or monitoring their policies or programmes in this area.

Such access rights are limited to non-commercial and non-competitive use.

Access is conditional on an agreement to define specific conditions ensuring that:
(a) the access will be used only for the intended purpose and

(b) appropriate confidentiality obligations are in place.

The requesting EU Member State or EU institution, body, office or agency must inform all other EU Member States of such a request.

This does not change the security obligations in Article 37, which still apply.

[OPTION 3 for Euratom grants: The beneficiaries must give access to their results — on a royalty-free basis — to the European Atomic Energy Community (Euratom) and its joint undertakings, for developing, implementing and monitoring Euratom policies and programmes or for compliance with obligations assumed through international cooperation with third countries and international organisations.

As an exception to Article 31.1, such access rights include the right to authorise third parties to use the results in public procurement and the right to sublicense and are limited to non-commercial and non-competitive use.]

31.6 Access rights for third parties

[OPTION 1a for additional access rights for complementary grants if foreseen in the work programme: The beneficiaries must give — under the conditions set out in Article 31.2 and 31.3 — access to their results to complementary beneficiaries\(^2\), for the purposes of the complementary grant agreement(s) (see Article 2).]

[OPTION 1b for additional access rights for interoperability if foreseen in the work programme: The beneficiaries must give third parties — up to four years after the period set out in Article 3 and [OPTION A: under fair and reasonable conditions (see Article 25.3)] [OPTION B: on a royalty-free basis] — access to their results needed for interoperability.]

[OPTION 1c for additional access rights for cross-border interoperability if foreseen in the work programme: The beneficiaries must give third parties — up to four years after the period set out in Article 3 and on a royalty-free basis — access to their results needed for interoperability, in particular for implementing the results in EU Member States or associated countries that are not participating in the action.

Beneficiaries must give access to software components under an EU public licence (or compatible licences) and must comply with any additional requirements set out in in Annex 1.]

[OPTION 1d for trans-national access to research infrastructure: The access provider must give the users royalty-free access to the results needed to implement the action.]

[OPTION 2: Not applicable]

\(^{2}\) ‘Complementary beneficiary’ means a beneficiary of a complementary grant agreement.
31.7 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

SECTION 4 OTHER RIGHTS AND OBLIGATIONS

ARTICLE 32 — RECRUITMENT AND WORKING CONDITIONS FOR RESEARCHERS

32.1 Obligation to take measures to implement the European Charter for Researchers and Code of Conduct for the Recruitment of Researchers

The beneficiaries must take all measures to implement the principles set out in the Commission Recommendation on the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers\(^\text{25}\), in particular regarding:

- working conditions;
- transparent recruitment processes based on merit, and
- career development.

The beneficiaries must ensure that researchers and third parties involved in the action are aware of them.

32.2 Consequences of non-compliance

If a beneficiary breaches its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

ARTICLE 33 — GENDER EQUALITY

33.1 Obligation to aim for gender equality

The beneficiaries must take all measures to promote equal opportunities between men and women in the implementation of the action. They must aim, to the extent possible, for a gender balance at all levels of personnel assigned to the action, including at supervisory and managerial level.

33.2 Consequences of non-compliance

If a beneficiary breaches its obligations under this Article, the [Commission][Agency] may apply any of the measures described in Chapter 6.

ARTICLE 34 — ETHICS AND RESEARCH INTEGRITY

34.1 Obligation to comply with ethical and research integrity principles

The beneficiaries must carry out the action in compliance with:

(a) ethical principles (including the highest standards of research integrity) and

(b) applicable international, EU and national law.

Funding will not be granted for activities carried out outside the EU if they are prohibited in all Member States or for activities which destroy human embryos (for example, for obtaining stem cells).

The beneficiaries must ensure that the activities under the action have an exclusive focus on civil applications.

The beneficiaries must ensure that the activities under the action do not:

(a) aim at human cloning for reproductive purposes;

(b) intend to modify the genetic heritage of human beings which could make such changes heritable (with the exception of research relating to cancer treatment of the gonads, which may be financed), or

(c) intend to create human embryos solely for the purpose of research or for the purpose of stem cell procurement, including by means of somatic cell nuclear transfer.

In addition, the beneficiaries must respect the fundamental principle of research integrity — as set out in the European Code of Conduct for Research Integrity26.

This implies compliance with the following fundamental principles:

- **reliability** in ensuring the quality of research reflected in the design, the methodology, the analysis and the use of resources;

- **honesty** in developing, undertaking, reviewing, reporting and communicating research in a transparent, fair and unbiased way;

- respect for colleagues, research participants, society, ecosystems, cultural heritage and the environment;

- accountability for the research from idea to publication, for its management and organisation, for training, supervision and mentoring, and for its wider impacts

and means that beneficiaries must ensure that persons carrying out research tasks follow the good research practices and refrain from the research integrity violations described in this Code.

This does not change the other obligations under this Agreement or obligations under applicable international, EU or national law, all of which still apply.

34.2 Activities raising ethical issues

Activities raising ethical issues must comply with the ‘ethics requirements’ set out as deliverables in Annex 1.

Before the beginning of an activity raising an ethical issue, each beneficiary must have obtained:

(a) any ethics committee opinion required under national law and

(b) any notification or authorisation for activities raising ethical issues required under national and/or European law

needed for implementing the action tasks in question.

The documents must be kept on file and be submitted upon request by the coordinator to the [Commission][Agency] (see Article 52). If they are not in English, they must be submitted together with an English summary, which shows that the action tasks in question are covered and includes the conclusions of the committee or authority concerned (if available).

34.3 Activities involving human embryos or human embryonic stem cells

Activities involving research on human embryos or human embryonic stem cells may be carried out, in addition to Article 34.1, only if:

- they are set out in Annex 1 or

- the coordinator has obtained explicit approval (in writing) from the [Commission][Agency] (see Article 52).

34.4 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43) and the Agreement or participation of the beneficiary may be terminated (see Article 50).
Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 35 — CONFLICT OF INTERESTS

35.1 Obligation to avoid a conflict of interests

The beneficiaries must take all measures to prevent any situation where the impartial and objective implementation of the action is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest (‘conflict of interests’).

They must formally notify to the [Commission][Agency] without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The [Commission][Agency] may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

35.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43) and the Agreement or participation of the beneficiary may be terminated (see Article 50).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 36 — CONFIDENTIALITY

36.1 General obligation to maintain confidentiality

During implementation of the action and for four years after the period set out in Article 3, the parties must keep confidential any data, documents or other material (in any form) that is identified as confidential at the time it is disclosed (‘confidential information’).

If a beneficiary requests, the [Commission][Agency] may agree to keep such information confidential for an additional period beyond the initial four years.

If information has been identified as confidential only orally, it will be considered to be confidential only if this is confirmed in writing within 15 days of the oral disclosure.

Unless otherwise agreed between the parties, they may use confidential information only to implement the Agreement.

The beneficiaries may disclose confidential information to their personnel or third parties involved in the action only if they:

(a) need to know to implement the Agreement and
(b) are bound by an obligation of confidentiality.

This does not change the security obligations in Article 37, which still apply.

The [Commission][Agency] may disclose confidential information to its staff, other EU institutions and bodies. It may disclose confidential information to third parties, if:

(a) this is necessary to implement the Agreement or safeguard the EU’s financial interests and

(b) the recipients of the information are bound by an obligation of confidentiality.

Under the conditions set out in Article 4 of the Rules for Participation Regulation No 1290/2013\(^\text{27}\), the Commission must moreover make available information on the results to other EU institutions, bodies, offices or agencies as well as Member States or associated countries.

The confidentiality obligations no longer apply if:

(a) the disclosing party agrees to release the other party;

(b) the information was already known by the recipient or is given to him without obligation of confidentiality by a third party that was not bound by any obligation of confidentiality;

(c) the recipient proves that the information was developed without the use of confidential information;

(d) the information becomes generally and publicly available, without breaching any confidentiality obligation, or

(e) the disclosure of the information is required by EU or national law.

36.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 37 — SECURITY-RELATED OBLIGATIONS

37.1 Results with a security recommendation

[OPTION 1 if applicable to the grant: The beneficiaries must comply with the ‘security recommendation(s)’ set out in Annex 1.

For security recommendations restricting disclosure or dissemination, the beneficiaries must — before disclosure or dissemination to a third party (including linked third parties, such as affiliated entities) — inform the coordinator, which must request written approval from the [Commission][Agency].

In case of change to the security context, the beneficiaries must inform the coordinator which must immediately inform the [Commission][Agency] and, if necessary, request for Annex 1 to be amended (see Article 55).

[OPTION 2: Not applicable]

37.2 Classified information

[OPTION 1 if applicable to the grant: The beneficiaries must comply with the security classification set out in Annex 1 (‘security aspect letter (SAL) and 'security classification guide (SCG)’).

Information that is classified must be treated in accordance with the security aspect letter (SAL) and Decision No 2015/44428 —until it is declassified.

Action tasks involving classified information may not be subcontracted without prior explicit written approval from the [Commission][Agency].

In case of change to the security context, the beneficiaries must inform the coordinator which must immediately inform the [Commission][Agency] and, if necessary, request for Annex 1 to be amended (see Article 55).

[OPTION 2: Not applicable]

37.3 Activities involving dual-use goods or dangerous materials and substances

[OPTION 1 if applicable to the grant: Activities involving dual-use goods or dangerous materials and substances must comply with applicable EU, national and international law.

Before the beginning of the activity, the coordinator must submit to the [Commission][Agency] (see Article 52) a copy of any export or transfer licences required under EU, national or international law.

[OPTION 2: Not applicable]

37.4 Consequences of non-compliance

[OPTION 1 to be used if 37.1, 37.2 and/or 37.3 are applicable: If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.]

[OPTION 2: Not applicable]

ARTICLE 38 — PROMOTING THE ACTION — VISIBILITY OF EU FUNDING

38.1 Communication activities by beneficiaries

38.1.1 Obligation to promote the action and its results

The beneficiaries must promote the action and its results, by providing targeted information to multiple audiences (including the media and the public) in a strategic and effective manner.

This does not change the dissemination obligations in Article 29, the confidentiality obligations in Article 36 or the security obligations in Article 37, all of which still apply.

Before engaging in a communication activity expected to have a major media impact, the beneficiaries must inform the [Commission][Agency] (see Article 52).

38.1.2 Information on EU funding — Obligation and right to use the EU emblem

Unless the [Commission][Agency] requests or agrees otherwise or unless it is impossible, any communication activity related to the action (including in electronic form, via social media, etc.) and any infrastructure, equipment and major results funded by the grant must:

(a) display the EU emblem and

(b) include the following text:

For communication activities: “This project has received funding from the [European Union’s Horizon 2020 research and innovation programme][Euratom research and training programme 2014-2018] under grant agreement No [number]”.

For infrastructure, equipment and major results: “This [infrastructure][equipment][insert type of result] is part of a project that has received funding from the [European Union’s Horizon 2020 research and innovation programme][Euratom research and training programme 2014-2018] under grant agreement No [number]”.

When displayed together with another logo, the EU emblem must have appropriate prominence.

For the purposes of their obligations under this Article, the beneficiaries may use the EU emblem without first obtaining approval from the [Commission][Agency].

This does not, however, give them the right to exclusive use.
Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

38.1.3 Disclaimer excluding [Agency and] Commission responsibility

Any communication activity related to the action must indicate that it reflects only the author's view and that the [Agency and the] Commission [is][are] not responsible for any use that may be made of the information it contains.

38.2 Communication activities by the [Agency and the] Commission

38.2.1 Right to use beneficiaries’ materials, documents or information

The [Agency and the] Commission may use, for its communication and publicising activities, information relating to the action, documents notably summaries for publication and public deliverables as well as any other material, such as pictures or audio-visual material received from any beneficiary (including in electronic form).

This does not change the confidentiality obligations in Article 36 and the security obligations in Article 37, all of which still apply.

If the [Agency’s or the] Commission’s use of these materials, documents or information would risk compromising legitimate interests, the beneficiary concerned may request the [Agency or the] Commission not to use it (see Article 52).

The right to use a beneficiary's materials, documents and information includes:

(a) use for its own purposes (in particular, making them available to persons working for the [Agency, the] Commission or any other EU institution, body, office or agency or body or institutions in EU Member States; and copying or reproducing them in whole or in part, in unlimited numbers);

(b) distribution to the public (in particular, publication as hard copies and in electronic or digital format, publication on the internet, as a downloadable or non-downloadable file, broadcasting by any channel, public display or presentation, communicating through press information services, or inclusion in widely accessible databases or indexes);

(c) editing or redrafting for communication and publicising activities (including shortening, summarising, inserting other elements (such as meta-data, legends, other graphic, visual, audio or text elements), extracting parts (e.g. audio or video files), dividing into parts, use in a compilation);

(d) translation:
(e) giving **access in response to individual requests** under Regulation No 1049/2001\(^\text{29}\), without the right to reproduce or exploit;

(f) **storage** in paper, electronic or other form;

(g) **archiving**, in line with applicable document-management rules, and

(h) the right to authorise **third parties** to act on its behalf or sub-license the modes of use set out in Points (b), (c), (d) and (f) to third parties if needed for the communication and publicising activities of the [Agency or the] Commission.

If the right of use is subject to rights of a third party (including personnel of the beneficiary), the beneficiary must ensure that it complies with its obligations under this Agreement (in particular, by obtaining the necessary approval from the third parties concerned).

Where applicable (and if provided by the beneficiaries), the [Agency or the] Commission will insert the following information:

> “© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the [[name of the Agency] and the] [European Union (EU)] [Euratom] under conditions.”

### 38.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43).

Such breaches may also lead to any of the other measures described in Chapter 6.

### ARTICLE 39 — PROCESSING OF PERSONAL DATA

#### 39.1 Processing of personal data by [the Agency and] the Commission

Any personal data under the Agreement will be processed by [the Agency or] the Commission under Regulation No 45/2001\(^\text{30}\) and according to the ‘notifications of the processing operations’ to the Data Protection Officer (DPO) of [the Agency or] the Commission (publicly accessible in the DPO register).

Such data will be processed by the ‘**data controller**’ of [the Agency or] the Commission for the purposes of implementing, managing and monitoring the Agreement or protecting the financial interests of the EU or Euratom (including checks, reviews, audits and investigations; see Article 22).


\(^{30}\) Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.01.2001, p. 1).
The persons whose personal data are processed have the right to access and correct their own personal data. For this purpose, they must send any queries about the processing of their personal data to the data controller, via the contact point indicated in the privacy statement(s) that are published on the [Agency and] Commission websites.

They also have the right to have recourse at any time to the European Data Protection Supervisor (EDPS).

39.2 Processing of personal data by the beneficiaries

The beneficiaries must process personal data under the Agreement in compliance with applicable EU and national law on data protection (including authorisations or notification requirements).

The beneficiaries may grant their personnel access only to data that is strictly necessary for implementing, managing and monitoring the Agreement.

The beneficiaries must inform the personnel whose personal data are collected and processed by the [Agency or the] Commission. For this purpose, they must provide them with the privacy statement(s) (see above), before transmitting their data to the [Agency or the] Commission.

39.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under Article 39.2, the [Commission][Agency] may apply any of the measures described in Chapter 6.

ARTICLE 40 — ASSIGNMENTS OF CLAIMS FOR PAYMENT AGAINST THE [COMMISSION][AGENCY]

The beneficiaries may not assign any of their claims for payment against the [Commission][Agency] to any third party, except if approved by the [Commission][Agency] on the basis of a reasoned, written request by the coordinator (on behalf of the beneficiary concerned).

If the [Commission][Agency] has not accepted the assignment or the terms of it are not observed, the assignment will have no effect on it.

In no circumstances will an assignment release the beneficiaries from their obligations towards the [Commission][Agency].

CHAPTER 5 DIVISION OF BENEFICIARIES’ ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH COMPLEMENTARY BENEFICIARIES — RELATIONSHIP WITH PARTNERS OF A JOINT ACTION

ARTICLE 41 — DIVISION OF BENEFICIARIES’ ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH
COMPLEMENTARY BENEFICIARIES — RELATIONSHIP WITH PARTNERS OF A JOINT ACTION

41.1 Roles and responsibilities towards the [Commission][Agency]

The beneficiaries have full responsibility for implementing the action and complying with the Agreement.

The beneficiaries are jointly and severally liable for the technical implementation of the action as described in Annex 1. If a beneficiary fails to implement its part of the action, the other beneficiaries become responsible for implementing this part (without being entitled to any additional EU funding for doing so), unless the [Commission][Agency] expressly relieves them of this obligation.

The financial responsibility of each beneficiary is governed by Article 44.

41.2 Internal division of roles and responsibilities

The internal roles and responsibilities of the beneficiaries are divided as follows:

(a) Each beneficiary must:

(i) keep information stored in the Participant Portal Beneficiary Register (via the electronic exchange system) up to date (see Article 17);

(ii) inform the coordinator immediately of any events or circumstances likely to affect significantly or delay the implementation of the action (see Article 17);

(iii) submit to the coordinator in good time:

- individual financial statements for itself [and its linked third parties];
- the data needed to draw up the technical report (see Article 20);
- ethics committee opinions and notifications or authorisations for activities raising ethical issues (see Article 34);
- any other documents or information required by the [Agency or the] Commission under the Agreement, unless the Agreement requires the beneficiary to submit this information directly to the [Agency or the] Commission.

(b) The coordinator must:

(i) monitor that the action is implemented properly (see Article 7);

(ii) act as the intermediary for all communications between the beneficiaries and the [Commission][Agency] (in particular, providing the [Commission][Agency] with
the information described in Article 17), unless the Agreement specifies otherwise;

(iii) request and review any documents or information required by the [Commission][Agency] and verify their completeness and correctness before passing them on to the [Commission][Agency];

(iv) submit the deliverables and reports to the [Commission][Agency] (see Articles 19 and 20);

(v) ensure that all payments are made to the other beneficiaries without unjustified delay (see Article 21);

(vi) inform the [Commission][Agency] of the amounts paid to each beneficiary, when required under the Agreement (see Articles 44 and 50) or requested by the [Commission][Agency].

The coordinator may not delegate or subcontract the above-mentioned tasks to any other beneficiary or third party (including linked third parties).

[OPTION to be used when the coordinator is a secondary or higher education establishment or public body and there is an ‘authorisation to administer’ given to a third party created, controlled or affiliated to the coordinator: As an exception, the coordinator delegates the tasks set out in Point 2(b) (v) and (vi) above to [insert name of third party with an authorisation to administer]. The coordinator retains sole responsibility for the EU contribution and for compliance with the obligations under the Agreement.]

[OPTION to be used when the coordinator is an European Research Infrastructure Consortium (ERIC)31 without own resources: As an exception, the coordinator delegates the tasks set out in Point 2(b)(i) to (iv) above to [insert name of member of the ERIC]. The coordinator retains sole responsibility for compliance with the obligations under the Agreement.]

41.3 Internal arrangements between beneficiaries — Consortium agreement

[OPTION 1 to be used, unless the work programme specifies that there is no need for a consortium agreement: The beneficiaries must have internal arrangements regarding their operation and co-ordination to ensure that the action is implemented properly. These internal arrangements must be set out in a written ‘consortium agreement’ between the beneficiaries, which may cover:

- internal organisation of the consortium;
- management of access to the electronic exchange system;]

- distribution of EU funding;
- additional rules on rights and obligations related to background and results (including whether access rights remain or not, if a beneficiary is in breach of its obligations) (see Section 3 of Chapter 4);
- settlement of internal disputes;
- liability, indemnification and confidentiality arrangements between the beneficiaries.

The consortium agreement must not contain any provision contrary to the Agreement.

[OPTION 2: Not applicable]

41.4 Relationship with complementary beneficiaries — Collaboration agreement

[OPTION 1 for complementary grants if foreseen in the work programme]: The beneficiaries must conclude a written ‘collaboration agreement’ with the complementary beneficiaries to coordinate the work under the Agreement and the complementary grant agreement(s) (see Article 2), covering for instance:

- efficient decision making processes and
- settlement of disputes.

The collaboration agreement must not contain any provision contrary to the Agreement.

The beneficiaries and complementary beneficiaries must create and participate in common boards and advisory structures to decide on collaboration and synchronisation of activities, including on management of outcomes, common approaches towards standardisation, SME involvement, links with regulatory and policy activities, and commonly shared dissemination and awareness raising activities.

The beneficiaries must give access to their results to the complementary beneficiaries, for the purposes of the complementary grant agreement(s) (see Article 31.6).

The beneficiaries must share the technical reports (see Article 20.3 and 20.4). The confidentiality obligations in Article 36 apply.

[OPTION 2: Not applicable]

41.5 Relationship with partners of a joint action — Coordination agreement

[OPTION 1 for joint actions (joint call with a third country or an international organisation): The beneficiaries must conclude a ‘coordination agreement’ with the partners of the third country or international organisation action (see Article 2), covering for instance:
- the internal organisation of the beneficiaries in both actions, including the decision making procedures;

- rules on intellectual property rights (for example regarding protection, dissemination, use and access rights);

- the settlement of internal disputes;

- liability, indemnification and confidentiality arrangements between the beneficiaries in both actions.

The coordination agreement must not contain any provision contrary to the Agreement.

[OPTION 2: Not applicable]

CHAPTER 6 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS — DAMAGES — SUSPENSION — TERMINATION — FORCE MAJEURE

SECTION 1 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS

ARTICLE 42 — REJECTION OF INELIGIBLE COSTS

Not applicable

ARTICLE 43 — REDUCTION OF THE GRANT

43.1 Conditions

The [Commission][Agency] may — after termination of the participation of a beneficiary, at the payment of the balance or afterwards — reduce the grant, if:

(a) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed:

   (i) substantial errors, irregularities or fraud or

   (ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles) or

(b) a beneficiary (or a natural person who has the power to represent or take decision on its behalf) has committed — in other EU or Euratom grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings from other grants to this grant; see Article 22.5.2).
43.2 Amount to be reduced — Calculation — Procedure

The amount of the reduction will be proportionate to the seriousness of the errors, irregularities or fraud or breach of obligations.

Before reduction of the grant, the [Commission][Agency] will formally notify a ‘pre-information letter’ to the coordinator or beneficiary concerned:

- informing it of its intention to reduce the grant, the amount it intends to reduce and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If the [Commission][Agency] does not receive any observations or decides to pursue reduction despite the observations it has received, it will formally notify confirmation of the reduction (if applicable, together with the notification of amounts due; see Article 21).

43.3 Effects

If the [Commission][Agency] reduces the grant after termination of the participation of a beneficiary, it will calculate the amount due after the reduction (see Article 50.2 and 50.3).

If the [Commission][Agency] reduces the grant at the time of the payment of the balance, it will calculate the reduced grant amount for the action and then determine the amount due as payment of the balance (see Articles 5.3 and 21.4).

If the [Commission][Agency] reduces the grant after the payment of the balance, it will calculate the revised final grant amount for the beneficiary concerned (see Article 5.4). If the revised final grant amount for the beneficiary concerned is lower than its share of the final grant amount, the [Commission][Agency] will recover the difference (see Article 44).

ARTICLE 44 — RECOVERY OF UNDUE AMOUNTS

44.1 Amount to be recovered — Calculation — Procedure

The [Commission][Agency] will — after termination of a beneficiary’s participation, at the payment of the balance or afterwards — claim back any amount that was paid, but is not due under the Agreement.

Each beneficiary’s financial responsibility in case of recovery is limited to its own debt [OPTION if Article 14 applies: (including undue amounts paid by the [Commission][Agency] for lump sum shares declared by its linked third parties)], except for the amount retained for the Guarantee Fund (see Article 21.4).

44.1.1 Recovery after termination of a beneficiary’s participation

If recovery takes place after termination of a beneficiary’s participation (including the coordinator), the [Commission][Agency] will claim back the undue amount from the
beneficiary concerned, by formally notifying it a debit note (see Article 50.2 and 50.3). This note will specify the amount to be recovered, the terms and the date for payment.

If payment is not made by the date specified in the debit note, the [Agency or the] Commission will recover the amount:

(a) by ‘offsetting’ it — without the beneficiary’s consent — against any amounts owed to the beneficiary concerned by the [Agency, the] Commission or an[other] executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU’s financial interests, the [Agency or the] Commission may offset before the payment date specified in the debit note;

(b) [OPTION 1 if Article 14 applies and joint and several liability has been requested by the [Commission][Agency]: if a linked third party has accepted joint and several liability (see Article 14), by holding the third party liable up to the maximum grant amount indicated, for the linked third party, in the estimated lump sum breakdown (see Annex 2) and/or][OPTION 2: not applicable;]

(c) by taking legal action (see Article 57) or by adopting an enforceable decision under Article 299 of the Treaty on the Functioning of the EU (TFEU) [, Article 106a of the Euratom Treaty] and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date specified in the debit note, the amount to be recovered (see above) will be increased by late-payment interest at the rate set out in Article 21.11, from the day following the payment date in the debit note, up to and including the date the [Agency or the] Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2007/64/EC\(^{32}\) applies.

### 44.1.2 Recovery at payment of the balance

If the payment of the balance takes the form of a recovery (see Article 21.4), the [Commission][Agency] will formally notify a ‘pre-information letter‘ to the coordinator:

- informing it of its intention to recover, the amount due as the balance and the reasons why;
- specifying that it intends to deduct the amount to be recovered from the amount retained for the Guarantee Fund;

---

requesting the coordinator to submit a report on the distribution of payments to the beneficiaries within 30 days of receiving notification, and

- inviting the coordinator to submit observations within 30 days of receiving notification.

If no observations are submitted or the [Commission][Agency] decides to pursue recovery despite the observations it has received, it will confirm recovery (together with the notification of amounts due; see Article 21.5) and:

- pay the difference between the amount to be recovered and the amount retained for the Guarantee Fund, if the difference is positive or

- formally notify to the coordinator a debit note for the difference between the amount to be recovered and the amount retained for the Guarantee Fund, if the difference is negative. This note will also specify the terms and the date for payment.

If the coordinator does not repay the [Commission][Agency] by the date in the debit note and has not submitted the report on the distribution of payments: the [Agency or the] Commission will recover the amount set out in the debit note from the coordinator (see below).

If the coordinator does not repay the [Commission][Agency] by the date in the debit note, but has submitted the report on the distribution of payments: the [Commission][Agency] will:

(a) identify the beneficiaries for which the amount calculated as follows is negative:

\[
\text{beneficiary's approved lump sum shares} + \text{its linked third parties' approved lump sum shares},
\]

\[
\text{divided by}
\]

\[
\text{the total of all beneficiaries' and linked third parties' lump sum shares for approved work packages calculated according to Article 5.3.1}
\]

\[
\times \text{the final grant amount (see Article 5.3)},
\]

\[
\text{minus}
\]

\[
\text{pre-financing and interim payments received by the beneficiary}.
\]

(b) formally notify to each beneficiary identified according to point (a) a debit note specifying the terms and date for payment. The amount of the debit note is calculated as follows:
\{(\text{amount calculated according to point (a) for the beneficiary concerned divided by the sum of the amounts calculated according to point (a) for all the beneficiaries identified according to point (a)}) \times \text{the amount set out in the debit note formally notified to the coordinator}\}.

If payment is not made by the date specified in the debit note, the \[\text{Agency or the}\] Commission will recover the amount:

(a) by \textbf{offsetting} it — without the beneficiary’s consent — against any amounts owed to the beneficiary by the \[\text{Agency, the}\] Commission or an \[\text{other}\] executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU’s financial interests, the \[\text{Agency or the}\] Commission may offset before the payment date specified in the debit note;

(b) by \textbf{drawing on the Guarantee Fund}. The \[\text{Agency or the}\] Commission will formally notify the beneficiary concerned the debit note on behalf of the Guarantee Fund and recover the amount:

(i) \textbf{[OPTION 1 if Article 14 applies and joint and several liability has been requested by the [Commission][Agency]]}: if a linked third party has accepted joint and several liability (see Article 14), by \textbf{holding the third party liable up to the maximum grant amount indicated, for the linked third party, in the estimated lump sum break down (see Annex 2) and/or}[\textbf{OPTION 2: not applicable:}]

(ii) by \textbf{taking legal action} (see Article 57) or by \textbf{adopting an enforceable decision} under Article 299 of the Treaty on the Functioning of the EU (TFEU) \[. Article 106a of the Euratom Treaty\] and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by \textbf{late-payment interest} at the rate set out in Article 21.11, from the day following the payment date in the debit note, up to and including the date the \[\text{Agency or the}\] the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the coordinator, unless Directive 2007/64/EC applies.

\textbf{44.1.3 Recovery of amounts after payment of the balance}
If, for a beneficiary, the revised final grant amount (see Article 5) is lower than its share of the final grant amount, it must repay the difference to the [Commission][Agency].

The beneficiary's share of the final grant amount is calculated as follows:

\[
\text{beneficiary’s approved lump sum shares} \quad \text{[plus]}
\]

\[
\text{its linked third parties’ approved lump sum shares}
\]

\[
\text{divided by}
\]

\[
\text{the total of all beneficiaries’ [and linked third parties’] lump sum shares for approved work packages calculated according to Article 5.3.1}
\]

\[
\text{multiplied by}
\]

\[
\text{the final grant amount (see Article 5.3)}
\]

If the coordinator has not distributed amounts received (see Article 21.7), the [Commission][Agency] will also recover these amounts.

The [Commission][Agency] will formally notify a **pre-information letter** to the beneficiary concerned:

- informing it of its intention to recover, the due amount and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If no observations are submitted or the [Commission][Agency] decides to pursue recovery despite the observations it has received, it will **confirm** the amount to be recovered and formally notify to the beneficiary concerned a **debit note**. This note will also specify the terms and the date for payment.

If payment is not made by the date specified in the debit note, the [Agency or the] Commission will **recover** the amount:

(a) by **offsetting** it — without the beneficiary’s consent — against any amounts owed to the beneficiary by the [Agency, the] the Commission or an[other] executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU’s financial interests, the [Agency or the] Commission may offset before the payment date specified in the debit note;

(b) by **drawing on the Guarantee Fund**. The [Agency or the] Commission will formally notify the beneficiary concerned the debit note on behalf of the Guarantee Fund and recover the amount:
(i) **OPTION 1 if Article 14 applies and joint and several liability has been requested by the [Commission][Agency]:** if a linked third party has accepted joint and several liability (see Article 14), by **holding the third party liable up to the maximum grant amount indicated, for the linked third party, in the estimated lump sum breakdown (see Annex 2) and/or** [**OPTION 2: not applicable:**]

(ii) **by taking legal action** (see Article 57) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) [, Article 106a of the Euratom Treaty] and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 21.11, from the day following the date for payment in the debit note, up to and including the date [the Agency or] the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2007/64/EC applies.

**ARTICLE 45 — ADMINISTRATIVE SANCTIONS**

In addition to contractual measures, the [Agency or the] Commission may also adopt administrative sanctions under Articles 106 and 131(4) of the Financial Regulation No 966/2012 (i.e. exclusion from future procurement contracts, grants, prizes and expert contracts and/or financial penalties).

**SECTION 2  LIABILITY FOR DAMAGES**

**ARTICLE 46 — LIABILITY FOR DAMAGES**

**46.1 Liability of the [Commission][Agency]**

The [Commission][Agency] cannot be held liable for any damage caused to the beneficiaries or to third parties as a consequence of implementing the Agreement, including for gross negligence.

The [Commission][Agency] cannot be held liable for any damage caused by any of the beneficiaries or third parties involved in the action, as a consequence of implementing the Agreement.

**46.2 Liability of the beneficiaries**
Except in case of force majeure (see Article 51), the beneficiaries must compensate the [Commission][Agency] for any damage it sustains as a result of the implementation of the action or because the action was not implemented in full compliance with the Agreement.

SECTION 3  SUSPENSION AND TERMINATION

ARTICLE 47 — SUSPENSION OF PAYMENT DEADLINE

47.1  Conditions

The [Commission][Agency] may — at any moment — suspend the payment deadline (see Article 21.2 to 21.4) if a request for payment (see Article 20) cannot be approved because:

(a) it does not comply with the provisions of the Agreement (see Article 20);

(b) the technical or financial report has not been submitted or is not complete or additional information is needed, or

(c) there is doubt about amounts requested for payment (including the need for a grant reduction) and additional checks, reviews, audits or investigations are necessary.

47.2  Procedure

The [Commission][Agency] will formally notify the coordinator of the suspension and the reasons why.

The suspension will take effect the day notification is sent by the [Commission][Agency] (see Article 52).

If the conditions for suspending the payment deadline are no longer met, the suspension will be lifted — and the remaining period will resume.

If the suspension exceeds two months, the coordinator may request the [Commission][Agency] if the suspension will continue.

If the payment deadline has been suspended due to the non-compliance of the technical or financial report (see Article 20) and the revised report or statement is not submitted or was submitted but is also rejected, the [Commission][Agency] may also terminate the Agreement or the participation of the beneficiary (see Article 50.3.1(l)).

ARTICLE 48 — SUSPENSION OF PAYMENTS

48.1  Conditions

The [Commission][Agency] may — at any moment — suspend payments, in whole or in part and for one or more beneficiaries, if:
(a) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed or is suspected of having committed:

(i) substantial errors, irregularities or fraud or

(ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles) or

(b) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU or Euratom grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings from other grants to this grant; see Article 22.5.2).

If payments are suspended for one or more beneficiaries, the [Commission][Agency] will make partial payment(s) for the part(s) not suspended. If suspension concerns the payment of the balance, — once suspension is lifted — the payment or the recovery of the amount(s) concerned will be considered the payment of the balance that closes the action.

48.2 Procedure

Before suspending payments, the [Commission][Agency] will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to suspend payments and the reasons why and

- inviting it to submit observations within 30 days of receiving notification.

If the [Commission][Agency] does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify confirmation of the suspension. Otherwise, it will formally notify that the suspension procedure is not continued.

The suspension will take effect the day the confirmation notification is sent by the [Commission][Agency].

If the conditions for resuming payments are met, the suspension will be lifted. The [Commission][Agency] will formally notify the coordinator or beneficiary concerned.

During the suspension, the periodic report(s) for all reporting periods except the last one (see Article 20.3), must not contain any individual financial statements from the beneficiary concerned [and its linked third parties]. The coordinator must include them in the next periodic report after the suspension is lifted or — if suspension is not lifted before the end of the action — in the last periodic report.

The beneficiaries may suspend implementation of the action (see Article 49.1) or terminate the Agreement or the participation of the beneficiary concerned (see Article 50.1 and 50.2).
ARTICLE 49 — SUSPENSION OF THE ACTION IMPLEMENTATION

49.1 Suspension of the action implementation, by the beneficiaries

49.1.1 Conditions

The beneficiaries may suspend implementation of the action or any part of it if exceptional circumstances — in particular *force majeure* (see Article 51) — make implementation impossible or excessively difficult.

49.1.2 Procedure

The coordinator must immediately formally notify to the *Commission* the suspension (see Article 52), stating:

- the reasons why and
- the expected date of resumption.

The suspension will *take effect* the day this notification is received by the *Commission*.

Once circumstances allow for implementation to resume, the coordinator must immediately formally notify the *Commission* and request an *amendment* of the Agreement to set the date on which the action will be resumed, extend the duration of the action and make other changes necessary to adapt the action to the new situation (see Article 55) — unless the Agreement or the participation of a beneficiary has been terminated (see Article 50).

The suspension will be *lifted* with effect from the resumption date set out in the amendment. This date may be before the date on which the amendment enters into force.

During the suspension, no work may be done. Ongoing work packages must be interrupted and no new work packages may be started.

49.2 Suspension of the action implementation, by the *Commission*

49.2.1 Conditions

The *Commission* may suspend implementation of the action or any part of it, if:

(a) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed or is suspected of having committed:

(i) substantial errors, irregularities or fraud or

(ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles);
(b) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU or Euratom grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings from other grants to this grant; see Article 22.5.2), or

(c) the action is suspected of having lost its scientific or technological relevance.

49.2.2 Procedure

Before suspending implementation of the action, the [Commission][Agency] will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to suspend the implementation and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If the [Commission][Agency] does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify confirmation of the suspension. Otherwise, it will formally notify that the procedure is not continued.

The suspension will take effect five days after confirmation notification is received (or on a later date specified in the notification).

It will be lifted if the conditions for resuming implementation of the action are met.

The coordinator or beneficiary concerned will be formally notified of the lifting and the Agreement will be amended to set the date on which the action will be resumed, extend the duration of the action and make other changes necessary to adapt the action to the new situation (see Article 55) — unless the Agreement has already been terminated (see Article 50).

The suspension will be lifted with effect from the resumption date set out in the amendment. This date may be before the date on which the amendment enters into force.

During the suspension, no work may be done. Ongoing work packages must be interrupted and no new work packages may be started.

The beneficiaries may not claim damages due to suspension by the [Commission] [Agency] (see Article 46).

Suspension of the action implementation does not affect the [Commission][Agency]’s right to terminate the Agreement or participation of a beneficiary (see Article 50), reduce the grant or recover amounts unduly paid (see Articles 43 and 44).

ARTICLE 50 — TERMINATION OF THE AGREEMENT OR OF THE PARTICIPATION OF ONE OR MORE BENEFICIARIES
50.1 Termination of the Agreement, by the beneficiaries

50.1.1 Conditions and procedure

The beneficiaries may terminate the Agreement.

The coordinator must formally notify termination to the [Commission][Agency] (see Article 52), stating:

- the reasons why and
- the date the termination will take effect. This date must be after the notification.

If no reasons are given or if the [Commission][Agency] considers the reasons do not justify termination, the Agreement will be considered to have been ‘terminated improperly’.

The termination will take effect on the day specified in the notification.

50.1.2 Effects

The coordinator must — within 60 days from when termination takes effect — submit:

(i) a periodic report (for the open reporting period until termination; see Article 20.3) and

(ii) the final report (see Article 20.4).

If the [Commission][Agency] does not receive the report within the deadline (see above), only lump sum shares included in an approved periodic report will be taken into account.

The [Commission][Agency] will calculate the final grant amount (see Article 5.3) and the balance (see Article 21.4) on the basis of the reports submitted and compliance with other obligations under the Agreement. Only lump sum shares for work packages fully completed before termination will be accepted — unless exceptionally agreed otherwise by the [Commission][Agency].

Improper termination may lead to a reduction of the grant (see Article 43).

After termination, the beneficiaries’ obligations (in particular Articles 20, 22, 23, Section 3 of Chapter 4, 36, 37, 40, 42, 43 and 44) continue to apply.

50.2 Termination of the participation of one or more beneficiaries, by the beneficiaries

50.2.1 Conditions and procedure

The participation of one or more beneficiaries may be terminated by the coordinator, on request of the beneficiary concerned or on behalf of the other beneficiaries.
The coordinator must formally notify termination to the [Commission][Agency] (see Article 52) and inform the beneficiary concerned.

If the coordinator’s participation is terminated without its agreement, the formal notification must be done by another beneficiary (acting on behalf of the other beneficiaries).

The notification must include:

- the reasons why;
- the opinion of the beneficiary concerned (or proof that this opinion has been requested in writing);
- the date the termination takes effect. This date must be after the notification, and
- a request for amendment (see Article 55), with a proposal for reallocation of the tasks and the estimated lump sum breakdown (see Annexes 1 and 2) and, if necessary, the addition of one or more new beneficiaries (see Article 56). If termination takes effect after the period set out in Article 3, no request for amendment must be included unless the beneficiary concerned is the coordinator. In this case, the request for amendment must propose a new coordinator.

If this information is not given or if the [Commission][Agency] considers that the reasons do not justify termination, the participation will be considered to have been terminated improperly.

The termination will take effect on the day specified in the notification.

50.2.2 Effects

The coordinator must — within 30 days from when termination takes effect — submit:

(i) a report on the distribution of payments to the beneficiary concerned and

(ii) if termination takes effect during the period set out in Article 3, a ‘termination report’ from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work and the individual financial statement (see Article 20.3 and 20.4).

The information in the termination report must also be included in the periodic report for the next reporting period (see Article 20.3).

If the request for amendment is rejected by the [Commission][Agency] (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the Agreement may be terminated according to Article 50.3.1(c).

If the request for amendment is accepted by the [Commission][Agency], the Agreement is amended to introduce the necessary changes (see Article 55).
The [Commission][Agency] will — on the basis of the periodic reports, the termination report and the report on the distribution of payments — calculate the amount which is due to the beneficiary and if the payments received by the beneficiary exceed this amount.

The **amount which is due** is calculated in the following steps:

**Step 1 — Calculation of the lump sum shares for the approved work packages**

The grant amount for the beneficiary is calculated by adding the lump sum shares (see Annex 2) for the approved work packages declared by the beneficiary *and its linked third parties* in the termination report.

Only lump sum shares for work packages fully completed by the beneficiary before termination will be approved — unless exceptionally agreed otherwise by the [Commission][Agency].

**Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations**

If the grant is reduced (due to substantial errors, irregularities or fraud or serious breach of obligations other than non-implementation of the action; see Article 43), the [Commission][Agency] will calculate the reduced grant amount for the beneficiary by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 43.2) from the grant amount for the beneficiary.

The amount due will be the lower of the two amounts.

If the payments received exceed the amounts due:

- if termination takes effect during the period set out in Article 3 and the request for amendment is accepted, the beneficiary concerned must repay to the coordinator the amount unduly received. The [Commission][Agency] will formally notify the amount unduly received and request the beneficiary concerned to repay it to the coordinator within 30 days of receiving notification. If it does not repay the coordinator, the [Commission][Agency] will draw upon the Guarantee Fund to pay the coordinator and then notify a **debit note** on behalf of the Guarantee Fund to the beneficiary concerned (see Article 44);

- in all other cases (in particular if termination takes effect after the period set out in Article 3), the [Commission][Agency] will formally notify a **debit note** to the beneficiary concerned. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the [Commission][Agency] the amount due and the [Commission][Agency] will notify a debit note on behalf of the Guarantee Fund to the beneficiary concerned (see Article 44);

- if the beneficiary concerned is the former coordinator, it must repay the new coordinator the amount unduly received, unless:
- termination takes effect after an interim payment and
- the former coordinator has not distributed amounts received as pre-financing (see Article 21.7)

In this case, the [Commission][Agency] will formally notify a debit note to the former coordinator. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the [Commission][Agency] the amount due. The [Commission][Agency] will then pay the new coordinator and notify a debit note on behalf of the Guarantee Fund to the former coordinator (see Article 44).

If the payments received do not exceed the amounts due: amounts owed to the beneficiary concerned will be included in the next interim or final payment.

If the [Commission][Agency] does not receive the termination report within the deadline (see above), only lump sum shares included in an approved periodic report will be taken into account.

If the [Commission][Agency] does not receive the report on the distribution of payments within the deadline (see above), it will consider that:

- the coordinator did not distribute any payment to the beneficiary concerned, and that
- the beneficiary concerned must not repay any amount to the coordinator.

Improper termination may lead to a reduction of the grant (see Article 43) or termination of the Agreement (see Article 50).

After termination, the concerned beneficiary’s obligations (in particular Articles 20, 22, 23, Section 3 of Chapter 4, 36, 37, 38, 40, 42, 43 and 44) continue to apply.

50.3 Termination of the Agreement or of the participation of one or more beneficiaries, by the [Commission][Agency]

50.3.1 Conditions

The [Commission][Agency] may terminate the Agreement or the participation of one or more beneficiaries, if:

(a) one or more beneficiaries do not accede to the Agreement (see Article 56);

(b) a change to their legal, financial, technical, organisational or ownership situation [(or those of its linked third parties)] is likely to substantially affect or delay the implementation of the action or calls into question the decision to award the grant;

(c) following termination of participation for one or more beneficiaries (see above), the necessary changes to the Agreement would call into question the decision awarding the grant or breach the principle of equal treatment of applicants (see Article 55);
(d) implementation of the action is prevented by force majeure (see Article 51) or suspended by the coordinator (see Article 49.1) and either:

(i) resumption is impossible, or

(ii) the necessary changes to the Agreement would call into question the decision awarding the grant or breach the principle of equal treatment of applicants;

(e) a beneficiary is declared bankrupt, being wound up, having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, or is subject to any other similar proceedings or procedures under national law;

(f) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has been found guilty of professional misconduct, proven by any means;

(g) a beneficiary does not comply with the applicable national law on taxes and social security;

(h) the action has lost scientific or technological relevance;

(i) [OPTION 1 for joint actions (joint call with a third country or an international organisation): the third country or international organisation action (see Article 2) has not started by the date specified in Annex 1][OPTION 2: not applicable];

(j) [OPTION 1 for joint actions (joint call with a third country or an international organisation): the third country or international organisation action (see Article 2) is terminated or can no longer contribute to the action][OPTION 2: not applicable];

(k) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed fraud, corruption, or is involved in a criminal organisation, money laundering or any other illegal activity;

(l) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed:

(i) substantial errors, irregularities or fraud or

(ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles);

(m) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU or Euratom grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings from other grants to this grant; see Article 22.5.2).
(n) **OPTION 1:** despite a specific request by the [Commission][Agency], a beneficiary does not request — through the coordinator— an amendment to the Agreement to end the participation of one of its linked third parties or international partners that is in one of the situations under points (e), (f), (g), (k), (l) or (m) and to reallocate its tasks. **OPTION 2:** not applicable.

### 50.3.2 Procedure

Before terminating the Agreement or participation of one or more beneficiaries, the [Commission][Agency] will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to terminate and the reasons why and
- inviting it, within 30 days of receiving notification, to submit observations and in case of Point (l.ii) above — to inform the [Commission][Agency] of the measures to ensure compliance with the obligations under the Agreement.

If the [Commission][Agency] does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify to the coordinator or to beneficiary concerned **confirmation** of the termination and the date it will take effect. Otherwise, it will formally notify that the procedure is not continued.

The termination will **take effect**:

- for terminations under Points (b), (c), (e), (g), (h), (j), (l.ii) and (n) above: on the day specified in the notification of the confirmation (see above);
- for terminations under Points (a), (d), (f), (i), (k), (l.i) and (m) above: on the day after the notification of the confirmation is received.

### 50.3.3 Effects

(a) for **termination of the Agreement**:

The coordinator must — within 60 days from when termination takes effect — submit:

(i) a periodic report (for the last open reporting period until termination; see Article 20.3) and

(ii) a final report (see Article 20.4).

If the Agreement is terminated for breach of the obligation to submit reports (see Articles 20.8 and 50.3.1(l)), the coordinator may not submit any reports after termination.

If the [Commission][Agency] does not receive the report within the deadline (see above), only lump sum shares included in an approved periodic report will be taken into account.
The [Commission][Agency] will **calculate** the final grant amount (see Article 5.3) and the balance (see Article 21.4) on the basis of the reports submitted and compliance with other obligations under the Agreement. Only lump sum shares for work packages fully completed before termination will be accepted — unless exceptionally agreed otherwise by the [Commission][Agency].

This does not affect the [Commission][Agency]’s right to reduce the grant (see Article 43) or to impose administrative sanctions (Article 45).

The beneficiaries may not claim damages due to termination by the [Commission][Agency] (see Article 46).

After termination, the beneficiaries’ obligations (in particular Articles 20, 22, 23, Section 3 of Chapter 4, 36, 37, 38, 40, 42, 43 and 44) continue to apply.

(b) for **termination of the participation of one or more beneficiaries:**

The coordinator must — within 60 days from when termination takes effect — submit:

(i) a report on the distribution of payments to the beneficiary concerned;

(ii) a request for amendment (see Article 55), with a proposal for reallocation of the tasks and the estimated lump sum breakdown (see Annexes 1 and 2) and, if necessary, the addition of one or more new beneficiaries (see Article 56). If termination is notified after the period set out in Article 3, no request for amendment must be submitted unless the beneficiary concerned is the coordinator. In this case, the request for amendment must propose a new coordinator, and

(iii) if termination takes effect during the period set out in Article 3, a **termination report** from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work and the individual financial statement (see Article 20).

The information in the termination report must also be included in the periodic report for the next reporting period (see Article 20.3).

If the request for amendment is rejected by the [Commission][Agency] (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the Agreement may be terminated according to Article 50.3.1(c).

If the request for amendment is accepted by the [Commission][Agency], the Agreement is **amended** to introduce the necessary changes (see Article 56).

The [Commission][Agency] will — on the basis of the periodic reports, the termination report and the report on the distribution of payments — **calculate** the amount which is due to the beneficiary and if the (pre-financing and interim) payments received by the beneficiary exceed this amount.
The **amount which is due** is calculated in the following steps:

**Step 1 — Calculation of the lump sum shares for the approved work**

The grant amount for the beneficiary is calculated by adding the lump sum shares (see Annex 2) for the approved work packages declared by the beneficiary [and its linked third parties] in the termination report.

Only lump sum shares for work packages fully completed by the beneficiary before termination will be approved — unless exceptionally agreed otherwise by the [Commission][Agency].

**Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations**

If the grant is reduced (due to substantial errors, irregularities or fraud or serious breach of obligations other than non-implementation of the action; see Article 43), the [Commission][Agency] will calculate the reduced grant amount for the beneficiary by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 43.2) from the grant amount for the beneficiary.

The amount due will be the lower of the two amounts.

If the payments received **exceed the amounts due:**

- if termination takes effect during the period set out in Article 3 and the request for amendment is accepted, the beneficiary concerned must repay to the coordinator the amount unduly received. The [Commission][Agency] will formally notify the amount unduly received and request the beneficiary concerned to repay it to the coordinator within 30 days of receiving notification. If it does not repay the coordinator, the [Commission][Agency] will draw upon the Guarantee Fund to pay the coordinator and then notify a **debit note** on behalf of the Guarantee Fund to the beneficiary concerned (see Article 44);

- in all other cases (in particular if termination takes effect after the period set out in Article 3), the [Commission][Agency] will formally notify a **debit note** to the beneficiary concerned. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the [Commission][Agency] the amount due and the [Commission][Agency] will notify a debit note on behalf of the Guarantee Fund to the beneficiary concerned (see Article 44);

- if the beneficiary concerned is the former coordinator, it must repay the new coordinator the amount unduly received, unless:

  - termination takes effect after an interim payment and
- the former coordinator has not distributed amounts received as pre-financing (see Article 21.7)

In this case, the [Commission][Agency] will formally notify a debit note to the former coordinator. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the [Commission][Agency] the amount due. The [Commission][Agency] will then pay the new coordinator and notify a debit note on behalf of the Guarantee Fund to the former coordinator (see Article 44).

If the payments received do not exceed the amounts due: amounts owed to the beneficiary concerned will be included in the next interim or final payment.

If the [Commission][Agency] does not receive the termination report within the deadline (see above), only lump sum shares included in an approved periodic report will be taken into account.

If the [Commission][Agency] does not receive the report on the distribution of payments within the deadline (see above), it will consider that:

- the coordinator did not distribute any payment to the beneficiary concerned, and that

- the beneficiary concerned must not repay any amount to the coordinator.

After termination, the concerned beneficiary’s obligations (in particular Articles 20, 22, 23, Section 3 of Chapter 4, 36, 37, 38, 40, 42, 43 and 44) continue to apply.

SECTION 4 FORCE MAJEURE

ARTICLE 51 — FORCE MAJEURE

‘Force majeure’ means any situation or event that:

- prevents either party from fulfilling their obligations under the Agreement,

- was unforeseeable, exceptional situation and beyond the parties’ control,

- was not due to error or negligence on their part (or on the part of third parties involved in the action), and

- proves to be inevitable in spite of exercising all due diligence.

The following cannot be invoked as force majeure:

- 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,
- labour disputes or strikes, or
- financial difficulties.

Any situation constituting force majeure must be formally notified to the other party without delay, stating the nature, likely duration and foreseeable effects.

The parties must immediately take all the necessary steps to limit any damage due to force majeure and do their best to resume implementation of the action as soon as possible.

The party prevented by force majeure from fulfilling its obligations under the Agreement cannot be considered in breach of them.

CHAPTER 7 FINAL PROVISIONS

ARTICLE 52 — COMMUNICATION BETWEEN THE PARTIES

52.1 Form and means of communication

Communication under the Agreement (information, requests, submissions, ‘formal notifications’, etc.) must:

- be made in writing and
- bear the number of the Agreement.

All communication must be made through the Participant Portal electronic exchange system and using the forms and templates provided there.

If — after the payment of the balance — the [Commission]/[Agency] finds that a formal notification was not accessed, a second formal notification will be made by registered post with proof of delivery (‘formal notification on paper’). Deadlines will be calculated from the moment of the second notification.

Communications in the electronic exchange system must be made by persons authorised according to the Participant Portal Terms & Conditions. For naming the authorised persons, each beneficiary must have designated — before the signature of this Agreement — a ‘legal entity appointed representative (LEAR)’. The role and tasks of the LEAR are stipulated in his/her appointment letter (see Participant Portal Terms & Conditions).

If the electronic exchange system is temporarily unavailable, instructions will be given on the [Agency and] Commission websites.

52.2 Date of communication

Communications are considered to have been made when they are sent by the sending party (i.e. on the date and time they are sent through the electronic exchange system).
Formal notifications through the electronic exchange system are considered to have been made when they are received by the receiving party (i.e. on the date and time of acceptance by the receiving party, as indicated by the time stamp). A formal notification that has not been accepted within 10 days after sending is considered to have been accepted.

Formal notifications on paper sent by registered post with proof of delivery (only after the payment of the balance) are considered to have been made on either:

- the delivery date registered by the postal service or
- the deadline for collection at the post office.

If the electronic exchange system is temporarily unavailable, the sending party cannot be considered in breach of its obligation to send a communication within a specified deadline.

52.3 Addresses for communication

The electronic exchange system must be accessed via the following URL:

[insert URL]

The [Commission][Agency] will formally notify the coordinator and beneficiaries in advance any changes to this URL.

Formal notifications on paper (only after the payment of the balance) addressed to the [Commission][Agency] must be sent to the official mailing address indicated on the [Commission's][Agency's] website.

Formal notifications on paper (only after the payment of the balance) addressed to the beneficiaries must be sent to their legal address as specified in the Participant Portal Beneficiary Register.

ARTICLE 53 — INTERPRETATION OF THE AGREEMENT

53.1 Precedence of the Terms and Conditions over the Annexes

The provisions in the Terms and Conditions of the Agreement take precedence over its Annexes.

Annex 2 takes precedence over Annex 1.

53.2 Privileges and immunities

[OPTION 1 for all international organisations: Nothing in the Agreement may be interpreted as a waiver of any privileges or immunities accorded to the [insert name of international organisation(s)] by its constituent documents or international law.]

[OPTION 2: Not applicable]
ARTICLE 54 — CALCULATION OF PERIODS, DATES AND DEADLINES

In accordance with Regulation No 1182/71, periods expressed in days, months or years are calculated from the moment the triggering event occurs.

The day during which that event occurs is not considered as falling within the period.

ARTICLE 55 — AMENDMENTS TO THE AGREEMENT

55.1 Conditions

The Agreement may be amended, unless the amendment entails changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

Amendments may be requested by any of the parties.

55.2 Procedure

The party requesting an amendment must submit a request for amendment signed in the electronic exchange system (see Article 52).

The coordinator submits and receives requests for amendment on behalf of the beneficiaries (see Annex 3).

If a change of coordinator is requested without its agreement, the submission must be done by another beneficiary (acting on behalf of the other beneficiaries).

The request for amendment must include:

- the reasons why;
- the appropriate supporting documents, and
- for a change of coordinator without its agreement: the opinion of the coordinator (or proof that this opinion has been requested in writing).

The [Commission]/[Agency] may request additional information.

If the party receiving the request agrees, it must sign the amendment in the electronic exchange system within 45 days of receiving notification (or any additional information the [Commission]/[Agency] has requested). If it does not agree, it must formally notify its disagreement within the same deadline. The deadline may be extended, if necessary for the assessment of the request. If no notification is received within the deadline, the request is considered to have been rejected.

---

An amendment **enters into force** on the day of the signature of the receiving party.

An amendment **takes effect** on the date agreed by the parties or, in the absence of such an agreement, on the date on which the amendment enters into force.

**ARTICLE 56 — ACCESSION TO THE AGREEMENT**

**56.1 Accession of the beneficiaries mentioned in the Preamble**

The other beneficiaries must accede to the Agreement by signing the Accession Form (see Annex 3) in the electronic exchange system (see Article 52), within 30 days after its entry into force (see Article 58) *[OPTION if Article 14 applies and joint and several liability has been requested: and for beneficiaries for which the [Commission][Agency] has requested joint and several liability of a linked third party, by also submitting — at accession — a declaration on joint and several liability (see Annex 3a) signed by the third party].*

They will assume the rights and obligations under the Agreement with effect from the date of its entry into force (see Article 58).

If a beneficiary does not accede to the Agreement within the above deadline, the coordinator must — within 30 days — request an amendment to make any changes necessary to ensure proper implementation of the action. This does not affect the [Commission][Agency]’s right to terminate the Agreement (see Article 50).

**56.2 Addition of new beneficiaries**

In justified cases, the beneficiaries may request the addition of a new beneficiary.

For this purpose, the coordinator must submit a request for amendment in accordance with Article 55. It must include an Accession Form (see Annex 3) signed by the new beneficiary in the electronic exchange system (see Article 52).

New beneficiaries must assume the rights and obligations under the Agreement with effect from the date of their accession specified in the Accession Form (see Annex 3).

**ARTICLE 57 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES**

**57.1 Applicable law**

The Agreement is governed by the applicable EU law, supplemented if necessary by the law of Belgium.

*[additional OPTION for international organisations that do not accept any applicable law clause: As an exception, there is no applicable law for [insert name(s) of the international organisations concerned]].*
H2020 Model Grant Agreements: H2020 MGA Lump Sum Pilot — Multi: V.5.0 – 27.10.2017

(additional OPTION for international organisations that would accept an applicable law clause, but not the standard clause (EU + Belgian law): As an exception, the Agreement is governed by a different applicable law for the following beneficiaries:

- [insert name(s) of the international organisations concerned]: [by the applicable EU law][, supplemented if necessary] [by the law of [Belgium][[insert name of another Member State or EFTA country]]] [and, where appropriate,] [by the general principles governing the law of international organisations and the rules of general international law]

- [insert name(s) of the international organisations concerned]: [by the applicable EU law][, supplemented if necessary] [by the law of [Belgium][[insert name of another Member State or EFTA country]]] [and, where appropriate,] [by the general principles governing the law of international organisations and the rules of general international law]

[same for other international organisations].]

57.2 Dispute settlement

If a dispute concerning the interpretation, application or validity of the Agreement cannot be settled amicably, the General Court — or, on appeal, the Court of Justice of the European Union — has sole jurisdiction. Such actions must be brought under Article 272 of the Treaty on the Functioning of the EU (TFEU).

(additional OPTION for non-EU beneficiaries (except beneficiaries established in an associated country with an association agreement to Horizon 2020 that stipulates sole jurisdiction of the European Court of Justice): As an exception, if such a dispute is between the [Commission][Agency] and [insert non-EU beneficiary(ies) name(s)], the competent Belgian courts have sole jurisdiction.]

(additional OPTION for international organisations and for beneficiaries not receiving EU funding because not eligible for EU funding (see Article 9) which according to their national law cannot be subject to the jurisdiction of the Belgian courts: As an exception, for the following beneficiaries:

- [insert name of international organisation or beneficiary not eligible for EU funding]

- [insert name of international organisation or beneficiary not eligible for EU funding]

[same for other beneficiaries that are international organisations or beneficiary not eligible for EU funding]

such disputes must — if they cannot be settled amicably — be referred to arbitration. Each party must formally notify to the other party its intention of resorting to arbitration and the

identity of the arbitrator. The Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States in force at the date of entry into force of the Agreement will apply. The appointing authority will be the Secretary-General of the Permanent Court of Arbitration following a written request submitted by either party. The arbitration proceedings must take place in Brussels and the language used in the arbitral proceedings will be English. The arbitral award will be binding on all parties and will not be subject to appeal.]

If a dispute concerns administrative sanctions, offsetting or an enforceable decision under Article 299 TFEU (see Articles 44, 45 and 46), the beneficiaries must bring action before the General Court — or, on appeal, the Court of Justice of the European Union — under Article 263 TFEU. [OPTION for Agency grants: Actions against offsetting and enforceable decisions must be brought against the Commission (not against the Agency).]

ARTICLE 58 — ENTRY INTO FORCE OF THE AGREEMENT

The Agreement will enter into force on the day of signature by the [Commission][Agency] or the coordinator, depending on which is later.

SIGNATURES

For the coordinator

[function/forename/surname]
[electronic signature]

Done in [English] on [electronic time stamp]

For the [Commission][Agency]

[forename/surname]
[electronic signature]

Done in [English] on [electronic time stamp]
### ESTIMATED LUMP SUM BREAKDOWN

<table>
<thead>
<tr>
<th>EU contribution</th>
<th>Maximum grant amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum shares (per work package)</td>
<td></td>
</tr>
</tbody>
</table>

**Model Annex 2 for H2020 Lump Sum Pilot MGA — Multi**

1. [short name beneficiary]
2. [short name linked third party]
3. [short name linked third party not eligible for EU funding]
4. [short name international partner]

**Total beneficiary**

2. [short name beneficiary]
3. [short name linked third party]

**Total beneficiary**

3. [short name beneficiary not eligible for EU funding]
4. [short name beneficiary requesting zero funding]

**Total beneficiary**

**Total consortium**

---

1. The ‘maximum grant amount’ is the maximum grant amount fixed in the grant agreement (on the basis of the sum of the beneficiaries’ lump sum shares for the work packages).
2. See Article 9 for beneficiaries not receiving EU funding.
3. See Article 9 for beneficiaries not receiving EU funding.
4. Only for linked third parties that receive EU funding.

---

93
ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

[Full official name of the beneficiary/new beneficiary/new coordinator (short name)], established in [official address in full], [OPTION for beneficiaries with VAT: VAT number [insert number].] (‘the beneficiary’ or ‘the coordinator’), represented for the purpose of signing this Accession Form by [forename and surname, function],

hereby agrees

to become [beneficiary]/[coordinator] No [insert beneficiary no]

in Grant Agreement No [insert agreement number] (‘the Agreement’)

between [full official name of the coordinator] and [the European Union (‘the EU’, represented by the European Commission (‘the Commission’) [the European Atomic Energy Community (‘Euratom’), represented by the European Commission (‘the Commission’)].][[the [Research Executive Agency (REA)][European Research Council Executive Agency (ERCEA)][Innovation and Networks Executive Agency (INEA)][Executive Agency for Small and Medium-sized Enterprises (EASME)] (‘the Agency’), under the power delegated by the European Commission (‘the Commission’).]

for the action entitled [insert title of the action (insert acronym)].

[OPTION for beneficiaries/new beneficiaries: and mandates

the coordinator to submit and sign in its name and on its behalf any amendments to the Agreement, in accordance with Article 55.]

By signing this Accession Form, the beneficiary accepts the grant and agrees to [OPTION: for new coordinators: take on the obligations and role of coordinator and to] implement it in accordance with the Agreement, with all the obligations and conditions it sets out [OPTION for new beneficiaries:, as from [insert date]/[the date of signature of the Accession Form]/[the date of entry into force of the amendment] (‘accession date’) [additional OPTION for change of beneficiary due to partial takeover:, and with joint and several liability for undue amounts paid to [insert short name of former beneficiary] (i.e. recoveries)] — if the [Commission]/[Agency] agrees with the request for amendment.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator:
[function/forename/surname]
[electronic signature]

Done in [English] on [electronic time stamp]
ANNEX 3a

DEDECLARATION ON JOINT AND SEVERAL LIABILITY OF LINKED THIRD PARTIES

(to be filled by the linked third party and submitted by the beneficiary, if Article 14 applies and linked third party liability has been requested by the [Commission][Agency])

[full official name of the entity affiliated or linked to the beneficiary (short name)], established in [official address in full], [OPTION for linked third parties with VAT: VAT number [insert number]] (‘the linked third party’), represented for the purpose of signing this Declaration on joint and several liability by its legal representative(s) [forename and surname, function of the legal representative(s) of the linked third party],

linked to beneficiary No [insert number] [full official name of the beneficiary (short name)], established in [official address in full], [OPTION for beneficiaries with VAT: VAT number [insert number]] (‘the beneficiary’),

hereby accepts joint and several liability with the beneficiary

for any amount owed to the [Commission][Agency] by the beneficiary under Grant Agreement No [insert agreement number] [(insert acronym)], up to the maximum grant amount indicated, for the linked third party, in the estimated lump sum breakdown (see Annex 2).

The linked third party irrevocably and unconditionally agrees to pay amounts requested under this Declaration to the [Commission][Agency], immediately and at first demand.

For the linked third party
[forename/surname/function]

signature

Done in English at [place], on [date]
## FINANCIAL STATEMENT FOR [BENEFICIARY [name]]/ LINKED THIRD PARTY [name] FOR REPORTING PERIOD [reporting period]

<table>
<thead>
<tr>
<th>Lump sum shares (per work package)</th>
<th>EU contribution</th>
<th>Requested EU contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>WP1</td>
<td>WP2</td>
<td>WP3</td>
</tr>
<tr>
<td>![short name beneficiary/linked third party]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The beneficiary/linked third party hereby confirms that:

- The information provided is complete, reliable and true.
- The work packages have been completed and that they and the action in general have been fully and properly implemented (see Article 7).
- The proper implementation can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 17, 18 and 22).
Not applicable
Not applicable