

# EIT Manufacturing Financial support agreement

**Version 2.0**

**24 January 2023**

## HISTORY OF CHANGES

<b>Version</b>	<b>Date</b>	<b>Changes</b>
V 1.0	14.11.2022	Initial version
V 2.0	24.01.2023	Update for EIT Manufacturing

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This financial support agreement, hereinafter the “**Agreement**”, shall have **retroactive** effect as of **1 January 2023** and is entered into by and between:

**EIT Manufacturing asbl**, with registered office at 2 Boulevard Thomas Gobert, 91120 PALaiseau, hereinafter referred to as “**KIC LE**”;

And

**[Recipient of subgrant]**, hereinafter referred to as the “**Recipient**”;

Hereinafter, jointly or individually, referred to as “**Parties**” or “**Party**”;

#### **WHEREAS:**

The KIC LE, representing EIT Manufacturing, has entered into a Partnership Agreement (“**PA**”) with the European Institute of Innovation and Technology (“**EIT**”), with the effective date of **1 January 2021**, establishing a long-term cooperation laying down the general terms and conditions under which EIT Manufacturing must operate as an institutionalised European partnership under the Horizon Europe Programme.

Under the terms of the PA, the **KIC LE** has been awarded a grant for the **Business Plan 2023-2025** by the EIT, to carry out a series of KAVAs in accordance with the EIT Regulation, contributing to the integration of the knowledge triangle of education, business, research and innovation, in a thematically focused innovation system (the “**Knowledge Triangle Activities**”), and contributing to the overall objectives of the EIT and, for this purpose, has entered into a Grant Agreement with the EIT (the “**GA**”), with effective date of **1 January 2023**, laying down the provisions concerning the implementation of the activities through grants, which, among others, allows the KIC LE to provide financial support to third parties for projects and actions related to KAVAs (the “**Financial Support to Third Parties**”).

The Recipient is willing to implement one or more KAVAs. Subject to the selection procedure and criteria of the KIC LE, the KIC LE may select one or more proposals for KAVAs of the Recipient.

Besides **KAVAs** funded by the EIT grant, the Recipient may also be involved in additional activities, projects and prizes with or via the KIC LE that are not funded under the grant (Non-EIT Funded Activities or “**NEFAs**”). Such NEFAs fall outside the scope of this Agreement and will be dealt with via separate arrangements between the Recipient and the KIC LE.

The Recipient may be involved in such KAVAs as a **Third Party Receiving Financial Support**.

The KIC LE, in its capacity of beneficiary under the GA must respect certain conditions in terms of transparency, non-discrimination, sound financial management and no conflict of interest. The KIC LE must further ensure that other conditions in terms of eligibility of costs, financial control and audit mechanism, IPR rules and communication, dissemination and visibility rules, standards for monitoring and reporting and rights for i.a. EIT, OLAF and Court of Auditors as provided for in the GA are put in place with the Recipient.

In this Agreement the Parties wish to lay down the contractual arrangements between them regarding their respective rights and obligations for the implementation by the Recipient of KAVAs, transposing to the extent needed the provisions of the GA.

**NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:**

## Article 1: Definitions

### 1.1 Definitions

Words beginning with a capital letter shall have the meaning defined either herein or in the Horizon Europe Programme, the EIT Regulation, in the Partnership Agreement Internal Agreement, or Grant Agreement, including their respective Annexes.

### 1.2 Additional Definitions

**“Authorised Representative”** shall mean the person or persons duly authorised to sign this Agreement, including its Annexes, on behalf of a Party.

**“Co-funding”** is the Recipient’s contribution to a KAVA.

**“Effective Date”** shall mean the date first referenced above.

**“EIT”** or **“granting authority”** shall mean the European Institute of Innovation and Technology, currently regulated by Regulation (EU) 2021/819 of the European Parliament and of the Council of May 20, 2021 (**“EIT Regulation”**).

**“Force Majeure”** shall mean any situation or event that

- prevents either Party from fulfilling their obligations under this 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 other participants involved in the action), and
- proves to be inevitable in spite of exercising all due diligence.

**“Grant Agreement”** or **“GA”** shall mean the agreement signed by the EIT and the KIC LE, setting out the rights and obligations applicable to the EIT grant awarded for the implementation of the [KIC Business Plan](#), which is attached to this Agreement [alternatively which is available on EIT [xxx]’s website] and as altered, amended, re-instated or replaced from time to time.

**“Horizon Europe Programme”** shall mean Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013.

**“IP Policy”** shall mean the EIT Manufacturing’s [IP Policy](#) as available on EIT Manufacturing’s website.

**“KIC Business Plan”** shall mean the KIC Business Plan as defined in the PA. The KIC Business Plan is attached as Part B of the grant application submitted by EIT Manufacturing.

**“Partnership Agreement” or “PA”** shall mean the agreement laying down the general terms and conditions under which the EIT Manufacturing must operate as an institutionalised European partnership, entered into by and between the EIT and the KIC LE, with an effective date of **1 January 2021**, as altered, amended, re-instated or replaced from time to time.

**“KAVA(s)”** shall mean the actions contributing to the KIC Business Plan, which the Recipient shall implement, as described in the relevant KAVA Plan and according to the KAVA Schedule, as available in the Grant Management System. The Recipient may be involved in multiple KAVAs under the KIC Business Plan.

**“General Project Terms”** general terms and conditions for EIT Manufacturing KAVAs setting forth the terms and conditions which apply to all the KAVAs in which the EIT Manufacturing Partner will be involved, and regarding the financial support to be received in respect of the tasks/activities that will be performed by EIT Manufacturing Partner for the KAVAs. These terms are additional terms and conditions and rights and obligations, supplementing this Agreement.

**“Third Party Receiving Financial Support”** shall mean a recipient of financial support to third parties, (in the form of grants, prizes or similar forms of support as described in Article 9.4 and Annex V of the GA.

## Article 2: Purpose

The purpose of this Agreement is to lay down the contractual arrangements between the Parties regarding their respective rights and obligations pertaining to the implementation by the Recipient of KAVAs. For the implementation of the KAVAs the Recipient will act as a Third Party Receiving Financial Support from KIC LE.

The contractual arrangements will in particular pertain to monitoring and reporting, IPR rules, communication, dissemination and visibility rules, information obligations, checks, reviews, audits and investigations, financial provisions (including eligibility rules for KAVAs), division of roles and responsibility, inter alia liability, non-disclosure of information and dispute resolution.

The Recipient acknowledges and agrees that in this Agreement, the conditions of the GA are transposed in the legal arrangement between the KIC LE and the Recipient, in order to ensure that the KIC LE shall meet its obligations and exercise its rights (including those towards the EIT) under the GA.

The Parties agree that the terms and conditions set forth by virtue of this Agreement shall regulate the General Project Terms that are attached hereto as Annex 2.



## Article 3: Entry into force, duration, and termination

### 3.1 Entry into force and duration

This Agreement shall have effect from the Effective Date and shall apply for the period of 1 January 2023 until the end date of the GA.

However, this Agreement may be terminated in accordance with Article 3.2 of this Agreement.

The duration of this Agreement does not determine the duration of a KAVA, which may be longer or shorter. If the duration of a KAVA is longer than the duration of this Agreement, the continuation may be subject to EIT funding being available.

### 3.2 Termination

#### 3.2.1. *Breach by KIC LE Termination by the Recipient*

**3.2.1.1.** In the event that the KIC LE is in breach of its obligations under this Agreement, the Recipient may give formal notice to the KIC LE requiring that such breach will be remedied within 90 calendar days of this formal notice, unless such breach cannot be remedied.

If such breach is substantial and is not remedied within that period of 90 calendar days or, is not capable of remedy, the Recipient may decide to terminate the Agreement upon notice.

**3.2.1.2.** The Recipient may terminate this Agreement with immediate effect through written notice to the KIC LE, if the KIC LE is subject to an event of Force Majeure, which prevents the KIC LE from correct performance of its obligations hereunder and such circumstances have lasted, or can reasonably be expected to last more than 120 calendar days.

#### 3.2.2. *Breach by Recipient - Termination by the KIC LE*

**3.2.2.1.** In the event that the Recipient is in breach of its obligations under this Agreement, the KIC LE may give formal notice to the Recipient requiring that such breach will be remedied within 14 calendar days of this formal notice, unless such breach cannot be remedied.

If such breach is substantial and is not remedied within that period or, is not capable of remedy, the KIC LE may decide to declare the Recipient to be a defaulting Party and to decide on the consequences thereof which may include termination of this Agreement upon notice and other measures (see Article 3.3.2 of this Agreement). Such serious breaches are for example improper implementation of the KAVA(s), non-compliance with the call conditions, submission of false information or incomplete information, failure to provide required information, breach of ethics or security rules (if applicable).

**3.2.2.2.** The KIC LE may terminate this Agreement with immediate effect through written notice to the Recipient, if the Recipient is subject to an event of Force Majeure, which prevents the Recipient from correct performance of its obligations hereunder and such circumstances have lasted, or can reasonably be expected to last more than 120 calendar days.

**3.2.2.3.** The KIC LE may terminate this Agreement if the Recipient is in breach of any of its material obligations under any binding regulation or agreement with the KIC LE, or its material obligations pertaining to the membership of the KIC LE, always provided that such breach is duly notified to the Recipient, has not been cured and results in a termination due to breach in accordance with the applicable provisions for such termination. Following a default under this Agreement, the KIC LE may also terminate any other agreement it may have with the defaulting Recipient.

**3.2.2.4.** If the GA is terminated by the EIT or the KIC LE, the KIC LE shall have right to terminate this Agreement upon notice to the Recipient, subject to the provisions surviving the expiration of termination under Article 3.3.1 of this Agreement.

**3.2.2.5.** The KIC LE may at any time terminate this Agreement immediately upon notice if one of the following events occurs:

- a change to the legal, financial, technical, organisational or ownership situation of the Recipient is likely to substantially affect or delay the implementation of the KAVA(s) it is involved in or calls into question the decision to select the KAVA(s) (including changes linked to one of the exclusion grounds listed in the declaration of honour, signed by the time of the signature of this Agreement);
- the Recipient is subject to bankruptcy proceedings or similar (including insolvency, winding-up, administration by a liquidator or court, arrangement with creditors, suspension of business activities, etc.);
- the Recipient is in breach of social security or tax obligations;
- the Recipient (or person having powers of representation, decision-making or control, or person essential for the implementation of the KAVA(s)) has been found guilty of grave professional misconduct;
- the Recipient (or person having powers of representation, decision-making or control, or person essential for the implementation of the KAVA(s)) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism related crimes (including terrorism financing), child labour or human trafficking;
- the Recipient (or person having powers of representation, decision-making or control, or person essential for the implementation of the KAVA(s)) was created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin (or created another entity with this purpose);
- the Recipient (or person having powers of representation, decision-making or control, or person essential for the implementation of the KAVA(s)) has committed substantial errors, irregularities or fraud.

The KIC LE may terminate this Agreement at the end of each financial year of the KIC LE by giving three (3) months notice of the termination through registered letter to the Recipient. For clarification reasons, such termination shall have to coincide with the termination of the Recipient as a member in the KIC LE, provided that the Recipient is a member of the KIC LE.

### 3.3 Effects of termination

#### 3.3.1. Survival of rights and obligations

After termination, the Recipient's obligations (in particular Articles 17 (Non-disclosure of information), 10 (IPR), 16 (Liability), 11 (Communication, dissemination and visibility rules), 6.3 (Reporting), 13 (Checks, reviews, audits and investigations), and 19.7 (Applicable law) of this Agreement,

and Articles 26 (Impact evaluation), 27 (Rejections), 28 (Grant reduction) and 42 (Assignment of claims) of the GA continue to apply.

Termination shall not affect any rights or obligations of the Parties incurred prior to the date of termination, unless otherwise stipulated herein or agreed between the Parties. This includes the obligation to provide all input, deliverables, and documents for the period that the Agreement was still in force and effect.

### 3.3.2. Measures towards defaulting Recipient

KIC LE shall have the right to stop or reorient the scope of the KAVA(s) in which the defaulting Recipient is involved. KIC LE shall also have the right to suspend any payment towards the defaulting Recipient and to request the defaulting Recipient to return the funds received (recovery or withdrawal of funds) without prejudice to its right to claim compensation for damages caused by Recipient's breach.

For the avoidance of doubt, KIC LE may decide to recover funds if and to the extent the KAVA implemented so far has not started or rendered, in the reasonable discretion of the KIC LE, any substantial innovation or other benefit, or in the situations referred to in Article 7.4.1 of this Agreement.

### 3.3.3. Termination report

The Recipient must – within 60 days from when termination takes effect – submit a termination report, for the open reporting period under the KAVA(s) until termination, containing an overview of the progress of the work, the financial statement, the explanation on the use of resources, and if applicable, the certificate on the financial statement to the KIC LE.

The KIC LE will calculate the amount that might be due to the Recipient on the basis of the report submitted and taking into account the costs incurred and contributions for KAVAs implemented before the end of work date (see Article 7 of this Agreement). Costs relating to contracts due for execution only after the end of work are not eligible.

If the KIC LE does not receive the termination report within the deadline, only costs and contributions which are included in an approved [periodic report] will be taken into account (no costs/contributions if no periodic report was ever approved).

For the avoidance of doubt, after termination the Recipient shall also be obliged to provide further information, records and supporting documents in the context of checks, reviews, audits or investigations.

### 3.3.4. Other agreement(s)

For the avoidance of doubt, termination of this Agreement shall not automatically release the Parties from their obligations under other agreement(s) they have concluded, unless they have also been terminated.

## Article 4: KAVA(s)

### 4.1 General Principles

The Recipient is fully responsible towards the KIC LE for implementing its tasks in the KAVA(s).

The Recipient must:

- implement this Agreement and the General Project Terms to the best of its abilities, in good faith and in accordance with all the obligations and terms and conditions it sets out.
- have the appropriate resources to implement the KAVA(s) under its own responsibility. If the Recipient relies on its affiliated entities or other third parties (see Article 4.4 of this Agreement), the Recipient retains sole responsibility towards EIT, the KIC LE and the other Recipients involved in the KAVA(s). If the KIC LE requires joint and several liability of affiliated entities they must sign the declaration set out in Annex 5 and may be held liable in case of enforced recoveries against their Recipients (see Article 22.2 and 22.4 of the GA).
- remain eligible under the Horizon Europe programme funding for the entire duration of this Agreement. Costs and contributions will be eligible only as long as the Recipient and the KAVAs are eligible.
- promptly notify to the KIC LE any significant information, fact, problem or delay likely to affect its participation in the KAVA(s), especially relating to the events mentioned in Article 3.2.5.5 of this Agreement.
- promptly provide all information reasonably required by the KIC LE for the implementation of the KAVAs (including mid-term reviews, if any) and the reporting of the costs.

### 4.2 Proper implementation of the KAVA(s)

The Recipient must implement the KAVA(s) as described in the relevant “KAVA Plan” and according to the “KAVA Schedule” as available in the Grant Management System.

### 4.3 Consequences of not properly implementing a KAVA

The Recipient acknowledges that the KIC LE, in accordance with the PA, must follow EIT’s sound portfolio management principles and implement systemic, effective and reliable monitoring of progress towards KIC strategic objectives, allowing EIT Manufacturing to fast-track, re-orient or stop KIC activities.

In the event of an improper implementation of the KAVA by the Recipient in accordance with the General Project Terms, the KAVA Plan and the KAVA Schedule, the KIC LE, at its own discretion and following the applicable KIC activity implementation rules and guidelines, may:

- (i) re-orient the scope of the KAVA,
- (ii) reduce the amount of grant and/or
- (iii) stop a KAVA pursuant to the Go / no Go process .

Further details may be further developed and included in the General Project Terms.

### 4.4 Involvement of third parties (including affiliated entities, subcontractors)

4.4.1 The third parties which will participate in a KAVA are further described in an annex to the General Project Terms.

For further involvement of third parties in a KAVA, the Recipient will have to comply with the applicable KIC KAVA implementation rules and guidelines.

#### 4.4.2 Subcontracting

Subcontracting costs/purchase costs for the KAVAs (including related duties, taxes and charges, such as non-deductible or non-refundable value added tax (VAT)) are eligible, if they are calculated on the basis of the costs actually incurred, fulfil the general eligibility conditions and are awarded using the Recipient's usual purchasing practices — provided these ensure subcontracts/purchase costs with best value for money (or if appropriate the lowest price) and that there is no conflict of interests .

Recipients that are 'contracting authorities/entities' within the meaning of the EU Directives on public procurement must also comply with the applicable national law on public procurement. The tasks to be subcontracted, the estimated cost for each subcontract and the total estimated costs of subcontracting per Recipient must be set out in the General Project Terms.

4.4.3 The Recipient must ensure that its contractual obligations under Articles 4.2 (Proper implementation of the KAVA), 14 (Conflict of interest), 17 (non-disclosure of information), 12 (Information, record keeping), 15 (Ethics), 11 (Visibility rules) of this Agreement and any other specific rules for carrying out KAVA as described in the Agreement and the General Project Terms, also apply to the involved subcontractors.

The Recipient must ensure that the KIC LE, the EIT, and/or the European Commission, the European Anti-Fraud Office (OLAF), European Public Prosecutor's Office (EPPO) and the European Court of Auditors (ECA), can exercise their rights also towards the involved third parties (see Article 13 of this Agreement).

## Article 5: KAVA Contribution – KAVA

### 5.1 KAVA contribution

5.1.1. The KIC LE and the Recipient shall each make certain contributions to each KAVA. These contributions are, set out in the "KAVA Budget", which will be included in the relevant KAVA Plan.

5.1.2. The Recipient shall receive a financial contribution by the KIC LE only for its tasks in the KAVA(s), carried out in accordance with this Agreement and the General Project Terms, [from:

(i) funds made available to the KIC LE by the EIT under the GA, and subject to the provisions of Article 5.3 of this Agreement regarding eligibility of costs ("**Confirmed Funding EIT**");

(ii) the funds put at the disposal of the KIC LE from the KIC membership fees or other sources subject to the provisions governing such fund ("**Confirmed Funding KIC**");

(i) and (ii) are together referred to as "**Confirmed Funding**".

The Confirmed Funding and the conditions attached to this Confirmed Funding will be further detailed in the General Project Terms.]

[5.1.3. Other than the Confirmed Funding (and any funding confirmed in the following years, collectively “the Funding”) there will be no further grants, subsidies, reimbursements or other payments by the KIC LE to the KAVA(s) and/or the Recipient due to or in connection with the KAVA(s) unless expressly specified otherwise in the General Project Terms, or any other arrangement between the Recipient and the KIC LE. The Funding shall cover all costs, expenditures, travel expense, overhead, sub-contractors, duties, tax if any or other payment obligations incurred by the Recipient due to or in connection with the KAVA.]

5.1.X. The Recipient shall use the financial support transferred by the KIC LE only for the implementation and execution of the relevant KAVA as reflected in the KAVA Plan and KAVA Budget.

## [5.2 KAVA Budget

The KAVA Budget shall set out the following in the respective KAVA Annex, as hereby attached in Annex 6 for the period until the KAVA expiry date:

- The maximum amount of the Confirmed Funding;
- The amount of the co-funding by Recipient.]

## 5.3 Cost eligibility rules

For EIT funded Actions (“KAVAs”), the eligibility rules of Article 6 of the GA are hereby transposed in this Agreement. The eligibility rules are further described in the [Annex 1](#) to this Agreement.

If the Recipient declares costs or contributions that are ineligible, they will be rejected.

The KIC LE shall be under no obligation to distribute EIT funding to the Recipient unless the eligibility rules of Article 6 of the GA are complied with (subject to final confirmation from EIT) and Recipient has fulfilled all its other obligations pertaining to the implementation of EIT funded KAVAs under this Agreement.

# Article 6: Monitoring and reporting

## 6.1 General monitoring and reporting obligation

6.1.1. The Recipient acknowledges and agrees that the following standards for the monitoring are to be put in place:

- systematic monitoring and review of the KAVA(s) (e.g. staff management, procurement, financial management, quality control, risk management, distribution and provision of support to final recipients, outputs, activity, financial reports etc.), in the format and timing specified by the KIC LE;
- effective and reliable monitoring and reporting of the KAVA(s) (including information on indicators, EIT Impact Framework, progress towards financial sustainability, KIC partnership, legality and regularity of the expenditure claimed, etc.), in the format and timing specified by the KIC LE;
- provisions for re-orienting or stopping underperforming KAVA(s) (with regular ‘go’/‘no go’ decision points, including a payment system linked to milestone achievements) and, for stopped activities, quarterly information of the KIC LE;

- a mechanism to evaluate high potential KAVA outcomes and fast track them towards further investment and rapid development;
- ensure the legality and regularity of the expenditure claimed.

6.1.2. In order to ensure the standards as referred to above, the Recipient acknowledges and agrees that monitoring and reporting is of the essence for the EIT Manufacturing, this Agreement and the financial support provided by the KIC LE, [including the financial support of EIT hereunder].

6.1.3. The Recipient shall:

- comply with any reporting policy and instructions issued by the KIC LE, in accordance with the timing and conditions it sets out as may be amended/modified by the KIC LE;
- comply with any and all other monitoring and reporting requirements, including any future requirements by the KIC LE and/or as may be established by the KIC LE, as the case may be pursuant to requirements of EIT;
- proactively report any developments which may seriously affect the KAVA(s) including the achievement of the overall KAVA target, any milestone thereunder and/or the purpose of the financial support immediately upon their respective occurrence.

## 6.2 Monitoring

The Parties agree to comply with the specific monitoring and evaluation principles as further detailed in the General Project Terms and in the applicable KIC KAVA implementation rules and guidelines.

## 6.3 Reporting

Without prejudice to the generality of the foregoing, the Recipient shall comply with the reporting requirements as set out in the General Project Terms.

# Article 7: Financial provisions

## 7.1 Payment Schedule

### 7.1.1. Pre-financing

The KIC LE may provide one or more prefinancing payments to the Recipient for the implementation of the KAVA(s).

Further details concerning the pre-financing shall be included in the General Project Terms.

### 7.1.2. Payment schedule

The KIC LE will complete the payments via instalments linked to milestones / deliverables / acceptance conditions in accordance with the payment schedule further detailed in the General Project Terms and the respective KAVA Annex.

### 7.2.3. Payment of the balance

The payment of the balance reimburses the remaining part of the eligible costs (in accordance with Article 5.2 of this Agreement) and contributions for the implementation of the KAVA(s).

The payment is subject to the approval of the final periodic report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

## 7.2 Eligibility for funding

The Recipient is eligible for any financial support from KIC LE, if all the following provisions are complied with on a continuous basis during the term of this Agreement:

- if and when relevant, the Recipient has paid the annual contribution to the KIC LE;
- the General Project Terms have and the relevant KAVA Annex been signed by the parties;
- all relevant eligibility criteria under the Agreement and the General Project Terms are fulfilled;
- the Recipient is not in default under this Agreement, the General Project Terms or another relevant agreement;
- all cost reporting obligations and milestones are complied with up to and including the date of the assessment of the Recipient's eligibility;
- the KIC LE has received the relevant pre-financing, interim payment (if applicable) or payment of the balance from EIT.

## 7.3 Payments

Payment by the KIC LE to the Recipient hereunder, shall be made to the following bank account:

Official name and legal form of Recipient:

Bank:

IBAN:

or any other bank account details as may be provided by the Recipient to the KIC LE after the execution of this Agreement or the General Project Terms, which new details shall only be effective five working days after receipt by the KIC LE of written notice from Recipient in that respect.

Payments will be made from the [name] account with [account number]. Any recoveries shall be made to this bank account.

## 7.4 Recovery - Setoff

### 7.4.1. Recovery by KIC LE

In the event the Recipient did not use the financial support from KIC LE for the purpose of the KAVA(s) or not in accordance



with the terms and conditions of this Agreement or the General Project Terms, it is under the obligation to return the unused or unjustified amounts within 30 calendar days upon notification from the KIC LE.

The KIC LE shall have the right to recover any undue financial support of KIC LE, if the eligibility rules of Article 6 of the GA are not complied with, or if the Recipient has not fulfilled all its other obligations pertaining to the implementation of EIT funded KAVAs under this Agreement.

#### 7.4.2. Setoff

KIC LE shall have the right to setoff payments for any present or future claims KIC LE may have against the Recipient.

## Article 8: Financial sustainability

The Recipient acknowledges that EIT Manufacturing has a financial sustainability strategy including diversified revenue streams. The Recipient commits to contribute to the financial sustainability strategy of the KIC.

Therefore, the Recipient shall comply with its obligations regarding financial sustainability as further described in more details in the General Project Terms or other specific agreements, between the KIC LE and the Recipient.

## Article 9: Liability

9.1. Either Party shall comply with its obligations towards the other Party under this Agreement and its Annexes, and the General Project Terms.

9.2. The Recipient has individual financial responsibility for its own financial obligations under this Agreement and the co-funding agreed upon ("**financial liability**").

9.3. The Recipient acknowledges the joint and several liability for the technical implementation of each KAVA the Recipient is involved in ("**technical liability**"), therefore it applies at the level of each KAVA, even though consortium partners may agree to differently distribute the liability amongst the consortium partners in their consortium agreements.

The Recipients involved in the same KAVA are jointly and severally liable for the technical implementation of the relevant KAVA. If a Recipient fails to implement its part of the KAVA or in case it withdraws from the KAVA, the other Recipients in that KAVA become responsible for implementing this part or completing the KAVA, without being entitled to any additional funding at KAVA level for doing so, unless the KIC LE expressly relieves them of this obligation or unless the failure to implement the part of the KAVA is due to gross negligence of the KIC LE. For the avoidance of doubt, the remaining budget share of the failing or withdrawing Recipient may be reallocated to the remaining Recipients of that KAVA to enable them to complete the failing or withdrawing Recipient's part of the KAVA.

The Recipient and the other parties involved in the same KAVA may supplement the liability provisions of this Article 9 in a consortium agreement, but cannot deviate from the provisions of this Agreement.

For the avoidance of doubt, when executing coordination or monitoring tasks as required by the PA or the GA, for example, coordinating of reporting (i.a. final reporting, progress monitoring, ...), the KIC LE is not deemed to be jointly and severally liable for the technical implementation of the KAVA(s).

## Article 10: IPR rules

Under this Agreement, the IPR rules as provided for in Section 1 of Annex 3 to this Agreement apply.

The Recipient acknowledges and agrees that it should also comply with EIT Manufacturing's IP Policy, as available on <https://www.eitmanufacturing.eu/wp-content/uploads/2023/01/EIT-Manufacturing-IP-Policy-final.pdf> , drafted in accordance with the IPR rules as set out in Section 1 of Annex 3 to this Agreement.

Further specific IPR rules for the KAVA(s) may be set out in the General Project Terms or other agreements pertaining to IP aspects.

Moreover, the IPR provisions of Section 1 of Annex 3 to this Agreement and the EIT Manufacturing's IP Policy may be supplemented further in a consortium agreement with the Recipient and other parties involved.

## Article 11: Communication, dissemination and visibility rules

Under this Agreement and the General Project Terms, the Communication, dissemination and visibility rules as provided for in Section 2 of Annex 3 to this Agreement apply.

This obligation shall last during the execution of the KAVA and for a period of 1 year from the end of the GA under which the financial support has been awarded to the Recipient.

## Article 12: Information obligations – record keeping

### 12.1 General information obligations

#### 12.1.1. Information requests

The Recipient must provide — during the KAVA(s) or afterwards — any information requested, including Sensitive Information if necessary, in order to verify eligibility of the costs or contributions declared, proper implementation of the

KAVA(s) and compliance with the other obligations under this Agreement. The information provided must be accurate, precise and complete and in the format requested, including electronic format.

#### 12.1.2. Participant Register data updates

The Recipient must keep — at all times, during the KAVA(s) or afterwards — their information stored in the Portal Participant Register up to date, in particular, their name, address, legal representatives, legal form and organization.

#### 12.1.3. Information about events and circumstances which impact the KAVA

The Recipient must immediately inform the KIC LE of any of the following:

(a) events which are likely to affect or delay the implementation of the KAVA(s) or affect the EU's financial interests, in particular changes in their legal, financial, technical, organisational or ownership situation (including changes linked to one of the exclusion grounds listed in the declaration of honour signed before the signature of this Agreement)

(b) circumstances affecting: (i) the decision to select the KAVA(s) or (ii) compliance with requirements under the Agreement.

## 12.2 Record keeping

#### 12.2.1. Keeping records and supporting documents

The Recipient must — at least until the time-limit set out in the General Project Terms — keep records and other supporting documents to prove the proper implementation of the KAVA in line with the accepted standards in the respective field (if any).

Further details are set out in Section 3 of Annex 3 to this Agreement.

## Article 13: Checks, reviews, audits and investigations

The Recipient acknowledges and agrees that enabling checks, reviews, audits and investigations is of the essence for the KIC system. As a consequence thereof, the Recipient shall allow and support any checks, reviews, audits and investigations during the implementation of the KAVA(s) and afterwards, by the KIC LE, the EIT, and/or the European Commission, the European Anti-Fraud Office (OLAF), European Public Prosecutor's Office (EPPO) and the European Court of Auditors (ECA), deemed necessary by the foregoing in their reasonable discretion to satisfy themselves of the compliance with the obligations under the Agreement, including the proper use of the EIT funding.

Further details are set out in Section 4 of Annex 3 to this Agreement.

## Article 14: Conflict of interest

**14.1** The Recipient acknowledges and agrees:

- to take all measures to prevent any situation where the impartial and objective implementation of the Agreement could be compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect interest ('conflict of interests').
- to avoid any conflict of interest in the purchase of services and goods in pursuit of the KAVA(s).

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

The KIC LE may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

**14.2** The Recipient acknowledges and agrees to comply with the principles of transparency, non-discrimination and sound financial management.

## Article 15: Ethics and values

The KAVA(s) must be carried out in line with the ethics and values requirements further described in Section 5 of [Annex 3](#) to this Agreement.

## Article 16: Liability towards each other

### 16.1 Limitations of contractual liability

The Parties shall take all the necessary steps to limit or mitigate any damage.

No Party shall be responsible to the other Party for any indirect or consequential loss or similar damage such as, but not limited to, loss of profit, loss of revenue or loss of contracts, provided such damage was not caused by a wilful act, gross negligence or by a breach of confidentiality.

The terms of this Agreement shall not be construed to amend or limit either Party's statutory liability.

### 16.2 Damage caused to third parties

Each Party shall be solely liable for any loss, damage or injury to third parties resulting from the performance of the said Party's obligations by it or on its behalf under this Agreement.

## 16.3 Hold harmless

The Recipient shall hold the KIC LE and its respective assigns and employees, officers and directors harmless from and against all losses, costs, liabilities, claims, damages and expenses, resulting from or relating to or arising out of the breach or default in the performance of any obligation on the Recipient's part under this Agreement through a legal action, including any counterclaim, that has proceeded to final judgment by a court of competent jurisdiction, in either case to the extent it determined a breach or default by the Recipient in the performance of this Agreement, provided it is not caused by the KIC LE's wilful act or gross negligence. The Recipient will be entitled to make observations towards the KIC LE, regarding the Recipient's obligation to hold the KIC LE harmless and the KIC LE shall reasonably consider such observations by the Recipient. The KIC LE shall take into account the reasonable requests of the Recipient with regard to the defence and the settlement of such claims, including the selection of counsels, and it is understood that KIC LE shall not settle any claim without the consent of the the Recipient.

## 16.4 Force Majeure

No Party shall be considered to be in breach of the Agreement if it is prevented from fulfilling its obligations under the Agreement by Force Majeure.

Each Party will notify the other Party of any Force Majeure without undue delay.

## Article 17: Confidentiality

The Parties must keep confidential any data, documents or other material (in any form) that is identified as sensitive in writing, or when disclosed orally has been identified as confidential at the time of disclosure and has been confirmed and designated in writing within 15 calendar days from oral disclosure at the latest as confidential information by the disclosing Party, is "Sensitive Information".

Unless otherwise agreed between the Parties, they may use Sensitive Information only to implement the Agreement.

The Parties may disclose Sensitive Information to its personnel or other participants in the same KAVAs only if they:

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

It may moreover disclose Sensitive Information to third parties, if:

- (a) this is necessary to implement the Agreement or safeguard the EU financial interests and
- (b) the receiving parties of the information are bound by an obligation of confidentiality.

The confidentiality obligations no longer apply if:

- (a) the disclosing Party agrees to release the other Party

- (b) the information becomes publicly available, without breaching any confidentiality obligation
- (c) the disclosure of the Sensitive Information is required or permitted by EU, international or national law.
- (d) A time period of 5 years after the disclosure of the Sensitive Information has passed, unless otherwise agreed upon between the Parties
- (e) The Sensitive Information is subsequently independently developed by or on behalf of the receiving Party without use of the disclosing Party's Sensitive Information.

If and when the confidentiality obligations no longer apply, the receiving party of the information undertakes to return to the disclosing Party, or to destroy, on request all Sensitive Information that has been disclosed to the receiving parties including all copies thereof and to delete all information stored in a machine readable form to the extent practically possible. The receiving parties may keep a copy to the extent it is required to keep, archive or store such Sensitive Information because of compliance with applicable laws and regulations or for the proof of on-going obligations provided that the receiving party comply with the confidentiality obligations herein contained with respect to such copy.

If either Party becomes aware that it will be required, or is likely to be required, to disclose Sensitive Information in order to comply with applicable laws or regulations or with a court or administrative order, it shall, to the extent it is lawfully able to do so, prior to any such disclosure

- notify the disclosing Party, and
- comply with the disclosing Party's reasonable instructions to protect the confidentiality of the information.

## Article 18: Miscellaneous

### 18.1 Inconsistencies and severability

Should any provision of this Agreement become invalid, illegal or unenforceable, it shall not affect the validity of the remaining provisions of this Agreement. In such a case, the Parties shall be entitled to request that a valid and practicable provision be negotiated which fulfils the purpose of the original provision.

### 18.2 No representation, partnership or agency

No Party shall be entitled to act or to make legally binding declarations on behalf of the other Party.

Nothing in this Agreement shall be deemed to constitute a joint venture, agency, partnership, interest grouping or any other kind of formal business grouping or entity between the Parties.

### 18.3 Notices and other communication

Any notice to be given under this Agreement shall be in writing to the addresses and recipients as listed below.

Formal notices:

If it is required in this Agreement that a formal notice, consent or approval shall be given, such notice shall be signed by a Party's Authorised Representative(s) and shall either be served personally or sent by mail with recorded delivery or e-mail with receipt acknowledgement.

Other communication:

Other communication between the Parties may also be affected by other means such as e-mail with acknowledgement of receipt, which fulfils the conditions of written form.

Any change of persons or contact details shall be notified immediately by the respective Party to the other Party.

## 18.4 Assignment and amendments

No rights or obligations of the Parties arising from this Agreement may be assigned or transferred, in whole or in part, to any third party without the other Party's prior formal approval.

Amendments and modifications to the text of this Agreement require a separate written agreement to be signed by Authorized Representatives of both Parties.

## 18.5 Language

This Agreement is drawn up in English, which language shall govern all documents, notices, meetings, arbitral proceedings and processes relative thereto.

## 18.6 Mandatory national law

Nothing in this Agreement shall be deemed to require a Party to breach any mandatory statutory law under which the Party is operating.

## 18.7 Applicable law

This Agreement shall be construed in accordance with and governed by the laws of Belgium.

## 18.8 Settlement of disputes

The Parties shall endeavour to settle their disputes amicably.

All disputes arising out of or in connection with this Agreement, which cannot be solved amicably, shall be finally settled before the courts of Brussels.

## 18.9 Data Protection

The Recipient ensures that any processing of personal data shall be performed in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

The collected personal data will be used solely for the implementation, follow-up, reporting and management of this Agreement by the Recipient and its subsidiaries and for dissemination of information and communication purposes foreseen for this Agreement. Data subjects have the right to access, rectify or delete their personal data. Data subjects can also object to its processing. To exercise these rights, data subjects can contact Recipient at [xxx].

## Article 19: Annexes

The following annexes are attached to this Agreement:

Annex 1 – Cost eligibility rules

Annex 2 – General Project Terms

Annex 3 – General provisions of the Grant Agreement

Annex 4 – Declaration of honour

Annex 5 – Declaration on joint and several liability of affiliated entities

Annex 6 – KAVA Annexe(s)

In case of conflict between the provisions of this Agreement and its Annexes, the provisions of this Agreement will prevail.



## Signatures

The Parties have caused this Agreement to be duly signed by the undersigned Authorised Representatives.

The signature of a Party via a scanned or digitized image of a handwritten signature (e.g. scan in PDF format) or an electronic signature (e.g. via DocuSign), shall have the same force and effect as an original handwritten signature for the purposes of validity, enforceability and admissibility. Each Party receives a fully executed copy of the Agreement. Delivery of the fully executed copy via e-mail or via an electronic signature system shall have the same force and effect as delivery of an original hard copy.

### **For KIC LE**

Name:

Title :

In :

On :

Signature \_\_\_\_\_

### **Recipient:**

Name:

Title:

In:

On:

Signature \_\_\_\_\_

## Annex 1 – Cost eligibility rules

### ARTICLE 6 — ELIGIBLE AND INELIGIBLE COSTS AND CONTRIBUTIONS

In order to be eligible, costs and contributions must meet the **eligibility** conditions set out in this Article.

#### 1.1 General eligibility conditions

The **general eligibility conditions** are the following:

(a) for actual costs:

- (i) they must be actually incurred by the beneficiary
- (ii) they must be incurred in the period set out in Article 4 (with the exception of costs relating to the submission of the final periodic report, which may be incurred afterwards; see Article 21)
- (iii) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
- (iv) they must be incurred in connection with the action as described in Annex 1 and necessary for its implementation
- (v) they must be identifiable and verifiable, in particular recorded in the beneficiary's accounts in accordance with the accounting standards applicable in the country where the beneficiary is established and with the beneficiary's usual cost accounting practices
- (vi) they must comply with the applicable national law on taxes, labour and social security and
- (vii) they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency

(b) for unit costs or contributions (if any):

- (i) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
- (ii) the units must:
  - be actually used or produced by the beneficiary in the period set out in Article 4 (with the exception of units relating to the submission of the final periodic report, which may be used or produced afterwards; see Article 21)
  - be necessary for the implementation of the action and
- (iii) the number of units must be identifiable and verifiable, in particular supported by records and documentation (see Article 20)

(c) for flat-rate costs or contributions (if any):

1. they must be declared under one of the budget categories set out in

Article 6.2 and Annex 2

- (i) the costs or contributions to which the flat-rate is applied must:
  - be eligible
  - relate to the period set out in Article 4 (with the exception of costs or contributions relating to the submission of the final periodic report, which may be incurred afterwards; see Article 21)
- (d) for lump sum costs or contributions (if any):
  - (i) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
  - (ii) the work must be properly implemented by the beneficiary in accordance with Annex 1
  - (iii) the deliverables/outputs must be achieved in the period set out in Article 4 (with the exception of deliverables/outputs relating to the submission of the final periodic report, which may be achieved afterwards; see Article 21)
- (e) for unit, flat-rate or lump sum costs or contributions according to usual cost accounting practices (if any):
  - (i) they must fulfil the general eligibility conditions for the type of cost concerned
  - (ii) the cost accounting practices must be applied in a consistent manner, based on objective criteria, regardless of the source of funding
- (f) for financing not linked to costs (if any): the results must be achieved or the conditions must be fulfilled as described in Annex 1.

In addition, for direct cost categories (e.g. personnel, travel & subsistence, subcontracting and other direct costs) only costs that are directly linked to the action implementation and can therefore be attributed to it directly are eligible. They must not include any indirect costs (i.e. costs that are only indirectly linked to the action, e.g. via cost drivers).

**In-kind contributions** provided by third parties free of charge may be declared as eligible direct costs by the beneficiaries which use them (under the same conditions as if they were their own, provided that they concern only direct costs and that the third parties and their in-kind contributions are set out in Annex 1 (or approved ex post in the periodic report, if their use does 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; ‘simplified approval procedure’).

## **1.2 Specific eligibility conditions for each budget category**

For each budget category, the **specific eligibility conditions** are as follows:

### **Direct costs**

#### **A. Personnel costs**

**A.1 Costs for employees (or equivalent)** are eligible as personnel costs if they fulfil the general eligibility conditions and are related to personnel working for the beneficiary under an employment contract (or equivalent appointing act) and assigned to the action.

They must be limited to salaries (including net payments during parental leave), social security contributions, taxes and other costs linked to the remuneration, if they arise from national law or the employment contract (or equivalent appointing act) and be calculated on the basis of the costs actually incurred, in accordance with the following method:

{daily rate for the person multiplied by  
number of day-equivalents worked on the action (rounded up or down to the nearest half-day)}.

The daily rate must be calculated as:

{annual personnel costs for the person divided by  
215}.

The number of day-equivalents declared for a person must be identifiable and verifiable (see Article 20).

The actual time spent on parental leave by a person assigned to the action may be deducted from the 215 days indicated in the above formula.

The total number of day-equivalents declared in EU grants, for a person for a year, cannot be higher than 215, minus time spent on parental leave (if any).

For personnel which receives supplementary payments for work in projects (project-based remuneration), the personnel costs must be calculated at a rate which:

- corresponds to the actual remuneration costs paid by the beneficiary for the time worked by the person in the action over the reporting period
- does not exceed the remuneration costs paid by the beneficiary for work in similar projects funded by national schemes ('national projects reference')
- is defined based on objective criteria allowing to determine the amount to which the person is entitled

and

- reflects the usual practice of the beneficiary to pay consistently bonuses or supplementary payments for work in projects funded by national schemes.

The national projects reference is the remuneration defined in national law, collective labour agreement or written internal rules of the beneficiary applicable to work in projects funded by national schemes.

If there is no such national law, collective labour agreement or written internal rules or if the project-based remuneration is not based on objective criteria, the national project reference will be the average

remuneration of the person in the last full calendar year covered by the reporting period, excluding remuneration paid for work in EU actions.

If the beneficiary uses average personnel costs (unit cost according to usual cost accounting practices), the personnel costs must fulfil the general eligibility conditions for such unit costs and the daily rate must be calculated:

- using the actual personnel costs recorded in the beneficiary's accounts and excluding any costs which are ineligible or already included in other budget categories; the actual personnel costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the personnel costs, reasonable and correspond to objective and verifiable information

and

- according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

**A.2 and A.3 Costs for natural persons working under a direct contract** other than an employment contract and costs for **seconded persons by a third party against payment** are also eligible as personnel costs, if they are assigned to the action, fulfil the general eligibility conditions and:

- (a) work under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed) and
- (b) the result of the work belongs to the beneficiary (unless agreed otherwise).

They must be calculated on the basis of a rate which corresponds to the costs actually incurred for the direct contract or secondment and must not be significantly different from those for personnel performing similar tasks under an employment contract with the beneficiary.

**A.4** The work of **SME owners** for the action (i.e. owners of beneficiaries that are small and medium-sized enterprises<sup>10</sup> not receiving a salary) or **natural person beneficiaries** (i.e. beneficiaries that are natural persons not receiving a salary) may be declared as personnel costs, if they fulfil the general eligibility conditions and are calculated as unit costs in accordance with the method set out in Annex 2a.

## **B. Subcontracting costs**

**Subcontracting costs** for the action (including related duties, taxes and charges, such as non-deductible or non-refundable value added tax (VAT)) are eligible, if they are calculated on the basis of the costs actually incurred, fulfil the general eligibility conditions and are awarded using the

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<sup>10</sup> For the definition, see Commission Recommendation 2003/361/EC: micro, small or medium-sized enterprise (SME) are enterprises

- engaged in an economic activity, irrespective of their legal form (including, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in an economic activity) and
- employing fewer than 250 persons (expressed in 'annual working units' as defined in Article 5 of the Recommendation) and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

beneficiary's usual purchasing practices — provided these ensure subcontracts with best value for money (or if appropriate the lowest price) and that there is no conflict of interests (see Article 12).

Beneficiaries that are 'contracting authorities/entities' within the meaning of the EU Directives on public procurement must also comply with the applicable national law on public procurement.

Subcontracting may cover only a limited part of the action.

The tasks to be subcontracted and the estimated cost for each subcontract must be set out in Annex 1 and the total estimated costs of subcontracting per beneficiary must be set out in Annex 2 (or may be approved ex post in the periodic report, if the use of subcontracting does 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; 'simplified approval procedure').

### **C. Purchase costs**

**Purchase costs** for the action (including related duties, taxes and charges, such as non-deductible or non-refundable value added tax (VAT)) are eligible if they fulfil the general eligibility conditions and are bought using the beneficiary's usual purchasing practices — provided these ensure purchases with best value for money (or if appropriate the lowest price) and that there is no conflict of interests (see Article 12).

Beneficiaries that are 'contracting authorities/entities' within the meaning of the EU Directives on public procurement must also comply with the applicable national law on public procurement.

#### **C.1 Travel and subsistence**

Purchases for **travel, accommodation** and **subsistence** must be calculated as follows:

- travel: on the basis of the costs actually incurred and in line with the beneficiary's usual practices on travel
- accommodation: on the basis of the costs actually incurred and in line with the beneficiary's usual practices on travel
- subsistence: on the basis of the costs actually incurred and in line with the beneficiary's usual practices on travel .

#### **C.2 Equipment**

Purchases of **equipment, infrastructure or other assets** used for the action must be declared as depreciation costs, calculated on the basis of the costs actually incurred and written off in accordance with international accounting standards and the beneficiary's usual accounting practices.

Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.

Costs for **renting or leasing** equipment, infrastructure or other assets are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

#### **C.3 Other goods, works and services**

Purchases of **other goods, works and services** must be calculated on the basis of the costs actually incurred.

Such goods, works and services include, for instance, consumables and supplies, promotion, dissemination, protection of results, translations, publications, certificates and financial guarantees, if required under the Agreement.

## **D. Other cost categories**

### **D.1 Financial support to third parties**

**Costs for providing financial support to third parties** (in the form of **grants, prizes** or similar forms of support; if any) are eligible, if and as declared eligible in the call conditions, if they fulfil the general eligibility conditions, are calculated on the basis of the costs actually incurred and the support is implemented in accordance with the conditions set out in Annex 1.

These conditions must ensure objective and transparent selection procedures and include at least the following:

(a) for grants (or similar):

- (i) the maximum amount of financial support for each third party ('recipient'); this amount may not exceed the amount set out in the Data Sheet (see Point 3) or otherwise agreed with the granting authority
- (ii) the criteria for calculating the exact amount of the financial support
- (iii) the different types of activity that qualify for financial support, on the basis of a closed list
- (iv) the persons or categories of persons that will be supported and
- (v) the criteria and procedures for giving financial support

(b) for prizes (or similar):

- (i) the eligibility and award criteria
- (ii) the amount of the prize and
- (iii) the payment arrangements.

This cost will not be taken into account for the indirect cost flat-rate.

### **D.2 Internally invoiced goods and services**

**Costs for internally invoiced goods and services** directly used for the action may be declared as unit cost according to usual cost accounting practices, if and as declared eligible in the call conditions, if they fulfil the general eligibility conditions for such unit costs and the amount per unit is calculated:

- using the actual costs for the good or service recorded in the beneficiary's accounts, attributed either by direct measurement or on the basis of cost drivers, and excluding any cost which are ineligible or already included in other budget categories; the actual costs may be adjusted



on the basis of budgeted or estimated elements, if they are relevant for calculating the costs, reasonable and correspond to objective and verifiable information

and

- according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

‘Internally invoiced goods and services’ means goods or services which are provided within the beneficiary’s organisation directly for the action and which the beneficiary values on the basis of its usual cost accounting practices.

This cost will not be taken into account for the indirect cost flat-rate.

### **Indirect costs**

#### **E. Indirect costs**

**Indirect costs** will be reimbursed at the flat-rate of 25% of the eligible direct costs (categories A-D, except volunteers costs, subcontracting costs, financial support to third parties and exempted specific cost categories, if any).

### **Contributions**

Not applicable

#### **1.3 Ineligible costs and contributions**

The following costs or contributions are **ineligible**:

- (a) costs or contributions that do not comply with the conditions set out above (Article 6.1 and 6.2), in particular:
  - (i) costs related to return on capital and dividends paid by a beneficiary
  - (ii) debt and debt service charges
  - (iii) provisions for future losses or debts
  - (iv) interest owed
  - (v) currency exchange losses
  - (vi) bank costs charged by the beneficiary’s bank for transfers from the granting authority
  - (vii) excessive or reckless expenditure
  - (viii) deductible or refundable VAT (including VAT paid by public bodies acting as public authority)
  - (ix) costs incurred or contributions for activities implemented during grant agreement suspension (see Article 31)

- (x) in-kind contributions by third parties: not applicable
- (b) costs or contributions declared under other EU grants (or grants awarded by an EU Member State, non-EU country or other body implementing the EU budget), except for the following cases:
  - (i) Synergy actions: not applicable
  - (ii) if the action grant is combined with an operating grant<sup>11</sup> running during the same period and the beneficiary can demonstrate that the operating grant does not cover any (direct or indirect) costs of the action grant
- (c) costs or contributions for staff of a national (or regional/local) administration, for activities that are part of the administration's normal activities (i.e. not undertaken only because of the grant)
- (d) costs or contributions (especially travel and subsistence) for staff or representatives of EU institutions, bodies or agencies
- (e) other :
  - (i) country restrictions for eligible costs: not applicable
  - (ii) costs or contributions declared specifically ineligible in the call conditions.

#### **1.4 Consequences of non-compliance**

If a beneficiary declares costs or contributions that are ineligible, they will be rejected (see Article 27). This may also lead to other measures described in Chapter 5.

## Annex 2 – General Project Terms

### EIT MANUFACTURING

#### TERMS AND CONDITIONS FOR THE PARTICIPATION IN EIT MANUFACTURING KAVAS

##### 1. **Purpose.**

These General Terms and Conditions for EIT Manufacturing KAVAs (hereinafter “General Project Terms”) set forth the terms and conditions which apply to all the KAVAs in which EIT Manufacturing Partner will be involved during the Relevant Period. These terms are additional KAVA related terms and conditions and rights and obligations, supplementing the Financial Support Agreement (FSA).

##### 2. **Applicability.**

These General Project Terms form part of and are applicable to any EIT Manufacturing KAVA and any application or proposal for such EIT Manufacturing KAVA.

These General Project Terms are to be understood as the Project Agreement(s) as defined in the FSA. EIT Manufacturing Partner must ensure that these General Project Terms also apply to its affiliated entities, or any third parties involved in the EIT Manufacturing KAVAs on its behalf.

##### 3. **Definitions.**

In these General Project Terms, words beginning with a capital letter shall have the meaning defined either herein, the Financial Support Agreement or FSA, or the PA Internal Agreement, including their respective Annexes.

“**EIT Manufacturing Partner**” shall mean the legal entity which is a member of the KIC EIT Manufacturing that participates in KAVA and that has entered into the FSA with KIC LE,

“**Financial Support Agreement**” or “**FSA**” shall mean the agreement between KIC LE and EIT Manufacturing Partner, laying down the contractual arrangements between them regarding their respective rights and obligations for the implementation of KAVAs by the recipient of financial support, transposing to the extent needed the provisions of the GA, with an effective date of January 1, 2023.

“**EIT Grant(s)**” shall mean the financial contribution from the EIT to KIC LE under the GA for the Relevant Period.

“**Grant Management System**” shall mean the official grant management system of KIC EIT Manufacturing, which is currently Plaza.

“**KAVA Annex**” shall mean the agreement concluded each year between the KIC LE and the EIT Manufacturing Partner detailing the financial support to be received by the EIT Manufacturing Partner and the payments thereof for each respective year, in accordance with the sections 10.2 and 10.3 of these General Project Terms. The KAVA Annexes will be attached to the FSA.

“**KIC Added Value Task**” or “**KAVA Task**” shall mean an element of a KAVA that is carried out by an EIT Manufacturing Partner.

“**KIC Added Value Activity**” or “**KAVA**” shall mean activities carried out by the KIC EIT Manufacturing Partner for which EIT financial support is available in accordance with the provisions of the FSA.

“**Relevant Period**” shall mean the period of the Grant Agreement 2023-2025.

##### 4. **Proper implementation of the KAVAs.**

The EIT Manufacturing Partner must implement the KAVA as described in the relevant “KAVA Plan” and according to the “KAVA Schedule” as available in the Grant Management System.

5. **Monitoring, evaluation and auditing of the KAVAs.**

5.1 Monitoring and evaluation: The EIT Manufacturing Partner shall fully cooperate with KIC LE regarding its specific monitoring and evaluation actions and shall comply with the instructions of KIC LE in this regard. Further monitoring and evaluation guidelines can be worked out by KIC LE in an activities monitoring and implementation guide.

KIC LE will conduct regular monitoring and evaluation activities depending on the financial support awarded to the EIT Manufacturing Partner. The financial and technical performance of the EIT Manufacturing KAVAs will be assessed by KIC LE (“performance assessment”) against the criteria set for this purpose.

5.2 During the course of a KAVA and for a period of five years after the end of a KAVA, KIC LE has the right to conduct audits on the proper implementation of the KAVA.

For the avoidance of doubt, in cases of multiple audits, the same items can be sampled or extended.

5.3 The EIT Manufacturing Partner must cooperate diligently and provide — within the deadline requested — any information (including complete accounts, individual salary statements or other personal data) in the monitoring, evaluation and auditing actions of KIC LE. Sensitive information and documents will be treated in accordance with Article 17 of the FSA. For on-the-spot visits, the EIT Manufacturing Partner must allow access to sites and premises (including for external audit firms appointed) 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.

6. **Consequences of not properly implementing a KAVA.**

- In the event of an improper implementation of a KAVA by the EIT Manufacturing Partner, KIC LE, at its own discretion and following EIT Manufacturing KAVAs implementation rules and guidelines, which may be further detailed and elaborated may apply one or more of the following measures:

- (i) ask the consortium of the EIT Manufacturing Partners involved in the KAVA concerned or the Activity Leader to **implement corrective measures**, which will have to be implemented without delay, in case KIC LE determines the KAVA concerned to be underperforming, during the performance assessment as described in section 5.1 above;
  - In case the performance assessment determines the KAVA concerned to be at the “red stage” of underperformance, the COO of the KIC EIT Manufacturing shall organize a meeting with the Activity Leader and may impose extra measures regarding the KAVA concerned.
- (ii) **stop the KAVA concerned** pursuant to the Go / no Go process;
- (iii) **re-orient the scope** of the KAVA concerned;
- (iv) **reduce the amount of the financial** support provided for the KAVA concerned (for example in case the assessment of the overall performance and use of money (best value for money principle) at the end of the KAVA concerned is negative);
- (v) **suspend payment** towards the EIT Manufacturing Partners for the KAVA concerned;
- (vi) apply an **administrative penalty fee** related to the non-performance of the obligations of the EIT Manufacturing Partner;
  - The following non-performances will trigger the administrative penalty fee to become due upon:

- - the failure to provide documentation and justifications requested, despite a reminder sent by KIC LE which remained uncured for ten (10) days
- - the non-performance in terms of participation in meetings and reporting;
- - any non-performance of requested KAVA Tasks that would entail additional costs for KIC LE

(vii) request to **reimburse the financial support**, including pre-financing, received for the KAVA concerned.

#### **7. Procedure of making observations.**

- The EIT Manufacturing Partner shall be notified of the result of the implementation / performance assessment by KIC LE. KIC LE shall share its findings in writing with the EIT Manufacturing Partner.
- The EIT Manufacturing Partner shall have the right to provide its observations within 10 days of receiving the notification.
- If no observations are submitted, or if KIC LE decides to pursue its decision despite the observations it has received, KIC LE's decision shall be final.
- For clarification, in case of checks, reviews, audits and investigations carried by EIT, and/or the European Commission, the European Anti-Fraud Office (OLAF), European Public Prosecutor's Office (EPPO) and the European Court of Auditors (ECA), the procedures applied by such instances will apply.

#### **8. Force majeure.**

- EIT Manufacturing Partner will notify KIC LE of any Force Majeure affecting the implementation of a KAVA without undue delay. If the consequences of Force Majeure for EIT Manufacturing Partner are not overcome within 120 days after such notification, the transfer of affected tasks and financial support – if any – shall be decided by KIC LE, together with the other EIT Manufacturing Partners involved in the KAVA concerned.

#### **9. KAVA operational procedure.**

##### 9.1. Set-up of operational procedure of a KAVA

- The following roles are defined and to be filled for each KAVA:
- An **Activity Leader (AL)**, organization responsible for the liaison with EIT Manufacturing.
- **Work package / Task Leaders**, organizations participating in the KAVA that are in charge of defined parts of the work (WP / Task) in the context of the implementation of the KAVA.
- **Consortium Members (CMs)**, organizations that participate and implement the KAVA having the full responsibility for carrying out the actual work and compile the deliverables including the outputs of the work. Depending on the structure of the KAVA, Consortium Members are also in charge of WPs / Tasks leadership.

##### 9.2. Activity Leader

The Activity Leader (AL) is the legal entity identified as the leader of the consortium for the KAVA. The AL shall act as the intermediary between the Consortium Members in the KAVA and KIC LE. It is the first point of contact for KIC LE regarding the KAVA, its progress and its participants.

A contact person is designated by the Activity Leader. Any change of the contact person shall be notified by the respective Activity Leader to KIC LE via email to KIC LE to the following email address [support@eitmanufacturing.eu](mailto:support@eitmanufacturing.eu).

In addition to other responsibilities under these General Project Terms, the Activity Leader should perform the following tasks:

- Filling in all the information related to the KAVA (KPI, DEL, OUT, Risks, Budget, other partners, objectives, FS etc.) in the Grant Management System, when submitting a KAVA during a call for proposals;
- Upon approval of KIC LE, adjust the provided information to reflect the status of the KAVA (shift in budget for the KAVA, change in EIT Manufacturing Partners etc.) during the execution of the KAVA;
- Coordinate the management of the KAVA, including the organization of a kick-off meeting and a final meeting with the participating Consortium Members;
- Coordinate the overall KAVA performance and the execution of decisions taken collectively with the relevant WP/Task leaders within the KAVA;
- Collect information from the Consortium Members in the KAVA to meet the monitoring and reporting requirements;
- Cooperate with KIC LE for monitoring the effective and efficient implementation of the KAVA;
- Review the consistency of the interim monitoring updates to be provided to KIC LE;
- Transmit interim updates and a final report pertaining to the KAVA to KIC LE with high quality standards (complete, consistent, correct) and in a timely manner;
- Keep the contact information of the contact persons of the Consortium Members updated and available;
- Attend the KAVA review meeting(s) at a time and location specified in mutual agreement between KIC LE and the Consortium Members.

### 9.3. Replacement of the Activity Leader

If the Activity Leader fails to perform its obligations as Activity Leader in its KAVA Tasks, KIC LE, if appropriate acting on the basis of a request from the other EIT Manufacturing Partners in the KAVA, may propose to the other EIT Manufacturing Partners in the KAVA to replace the Activity Leader with another EIT Manufacturing Partner. The necessary legal arrangements will be made to render this replacement of the Activity Leader effective.

## **10. Financial provisions.**

### 10.1. General Principles

#### 10.1.1. Distribution of Financial Contribution

The financial support for the KAVA Tasks performed by a EIT Manufacturing Partner in a KAVA shall be distributed by KIC LE in accordance with the eligible cost as set out in the financial statements of the EIT Manufacturing Partner, however, subject to:

- the approval of these financial statements by KIC LE, and
- the provisions of payment in Article 10.1.5 and 10.2. of these Terms

EIT Manufacturing Partner shall receive the financial support only for its KAVA Tasks carried out in accordance with the KAVA Plan for the KAVA concerned.

#### 10.1.2. Reporting costs

In accordance with its own usual accounting and management principles and practices, EIT Manufacturing Partner shall be solely responsible for substantiating its costs with respect to its KAVA Tasks in a KAVA, if required with original supporting documents.

EIT Manufacturing Partner shall report to KIC LE on its KAVA Tasks for a KAVA, irrespective of the sources of funding, in accordance with the reporting requirements of Articles 19, 20 and

21 of the GA, as transposed in article 12 of the FSA so as to enable KIC LE to report to EIT. This reporting shall be done via the Activity Leader of the KAVA for the performance section (deliverables, KPI's) and to KIC LE for the cost section of the report.

**10.1.3. Reallocation of the financial support**

During the Relevant Period, the Management Team of KIC LE has the right to review the allocation of the financial support for a KAVA. In the event that an EIT Manufacturing Partner spends less than its allocated share of the budget, the Management Team of KIC LE can decide to reallocate the financial support for the KAVA Tasks for a KAVA in accordance with the provisions of the FSA. Moreover if appropriate, the Management Team of KIC LE can decide to reallocate the financial support to other KAVAs.

**10.1.4. Financial consequences of the termination of the participation of EIT Manufacturing Partner in a KAVA**

EIT Manufacturing Partner shall refund all payments it has received except the amount of the financial support accepted by KIC LE.

**10.1.5. Reimbursement rate**

EIT Manufacturing Partner is not allowed to reduce the amount of its co-funding in a KAVA, unless agreed upon by KIC LE.

In case the proportion of the financial support versus the co-funding for the EIT Manufacturing Partner is not met in the consolidated cost report, corrections (by recovery or reductions of financial support) will be applied by KIC LE to EIT Manufacturing Partner or Partners who caused the proportion of the financial support versus the co-funding not being met due to the occurrence of a discrepancy in their actual reported total costs versus the aggregated budget of their KAVA Tasks as foreseen in the relevant KAVA Plan as amended (hereinafter referred to as the "Deviation").

The aforementioned recovery or reduction will be applied to EIT Manufacturing Partner and/or Partners that caused a Deviation to occur, it being understood that such recovery or reduction's amount per each of EIT Manufacturing Partners shall be limited to the amount of the portion of the Deviation caused by each of such EIT Manufacturing Partners. Each of EIT Manufacturing Partners shall only be liable for the amount equivalent to the portion of the Deviation that it individually contributed to. The liability of EIT Manufacturing Partners under this Article is several only and not jointly.

**10.2. Financial support**

EIT Manufacturing Partner will, after payment of the annual membership fee, be entitled to financial support for eligible costs for its KAVA Tasks properly carried out in accordance with the KAVA Plan and the requirement of the FSA and these General Project Terms. The maximum amount of the financial support and the amount of the total co-funding will be detailed per KAVA per year in a KAVA Annex conform the table below and attached to the FSA:

<b>Partner</b>	<b>Activities funded</b>	<b>Partner Co-funding</b>	<b>Total KAVACosts</b>
<b>XXX</b>		-	
XX – Activity description		-	

The financial commitment of KIC LE towards EIT Manufacturing Partner is strictly limited to the financial support distributed for the KAVA concerned in accordance with the FSA, these General

Project Terms, and the Payment Schedule and the KAVA Annex. KIC LE cannot be held liable in whatsoever circumstances to finance EIT Manufacturing Partner for KAVA activities undertaken by EIT Manufacturing Partner in any other manner than the distribution of the financial support.

10.3. Payments of the financial support

Placeholder for inserting prefinancing and financing terms  
.....  
.....

**10 Notices and other communications.**

The EIT Manufacturing Partner profile, needs to be kept up to date by the EIT Manufacturing Partner. In communicating with the EIT Manufacturing Partner, KIC LE shall only use such address. The EIT Manufacturing Partner has the right to change its registered address at any time and shall provide a written notice to that effect to the COO. Such change shall be effective upon its receipt by KIC LE.

**11 Consortium agreement for the KAVA/IP Policy.**

EIT Manufacturing Partners involved in the same KAVA are encouraged to enter into a consortium agreement in order to specify or supplement binding commitments among themselves in addition to the provisions of the FSA, in particular with respect to ownership of Results and Access Rights.

**12 Termination**

KIC LE may terminate a KAVA if the EIT Manufacturing Partner is in breach of any of its material obligations under the FSA and these General Project Terms, always provided that such breach is duly notified to the EIT Manufacturing Partner, has not been cured and results in a termination due to breach in accordance with the applicable provisions for such termination



## Annex 3 -- General provisions of the Grant Agreement

### Annex 3 - Section 1: IPR rules

#### 1.1 General

Further to Article 10 of the Agreement, the following IPR rules apply:

The Recipient acknowledges and agrees that it should also comply with EIT [xxx]'s IP Policy, as available on [xxx], drafted in accordance with the IPR rules as set out in Article 1.2 of this Section 1 of this Annex 3.

Further specific IPR rules for the Project(s) may be set out in the relevant Project Agreement.

Moreover, the Recipients involved in the same Project may supplement the provisions of Article 1.2 of this Section 1 of this Annex 3 and the IP Policy in a consortium agreement.

#### 1.2. IPR rules

##### 1.2.1. *Definitions*

Under this Article 1.2.1 of Section 1 and Article 2.2. of Section 2 of this Annex 3, the following definitions apply.

“Access rights” shall mean the rights to use results or background.

“Dissemination” shall mean the public disclosure of the results by appropriate means, other than resulting from protecting or exploiting the results, including by scientific publications in any medium.

“Exploit(ation)” shall mean the use of results in further research and innovation activities other than those covered by the Project concerned, including among other things, commercial exploitation such as developing, creating, manufacturing and marketing a product or process, creating and providing a service, or in standardisation activities.

“Fair and reasonable conditions” shall mean 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.

“FAIR principles” shall mean ‘findability’, ‘accessibility’, ‘interoperability’ and ‘reusability’.

“Open access” shall mean online access to research outputs provided free of charge to the end-user.

“Open science” shall mean an approach to the scientific process based on open cooperative work, tools and diffusing knowledge.

“Research data management” shall mean the process within the research lifecycle that includes the organisation, storage, preservation, security, quality assurance, allocation of persistent identifiers (PIDs) and rules and procedures for sharing of data including licensing.

“Research outputs” shall mean results to which access can be given in the form of scientific publications, data or other engineered results and processes such as software, algorithms, protocols, models, workflows and electronic notebooks.

#### *1.2.2. Scope of the obligations*

For this section, references to ‘Recipient’ do not include affiliated entities (if any).

#### *1.2.3. Agreement on background — Background free from restrictions*

The Recipient together with the other Recipients involved in the same Project must identify in a written agreement the background as needed for implementing the Project or for exploiting its results. [Where the call conditions restrict control due to strategic interests reasons, background that is subject to control or other restrictions by a country (or entity from a country) which is not one of the eligible countries or target countries set out in the call conditions and that impact the exploitation of the results (i.e. would make the exploitation of the results subject to control or restrictions) must not be used and must be explicitly excluded in the agreement on background — unless otherwise agreed with the KIC LE.]

#### 1.2.4. Results free from restrictions

Where the call conditions restrict control due to strategic interests reasons, the Recipients must ensure that the results of the Project are not subject to control or other restrictions by a country (or entity from a country) which is not one of the eligible countries or target countries set out in the call conditions — unless otherwise agreed with the KIC LE.]

#### 1.2.5. Ownership of results

Results are owned by the Recipient that generates them. However, two or more Recipients own results jointly if they have jointly generated them and - it is not possible to:

- establish the respective contribution of each Recipient, or
- separate them for the purpose of applying for, obtaining or maintaining their protection.

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 the Agreement.

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

- at least 45 days advance notice and
- fair and reasonable compensation.

The joint owners may agree — in writing — to apply another regime than joint ownership. If third parties (including employees and other personnel) may claim rights to the results, the Recipient must ensure that those rights can be exercised in a manner compatible with its obligations under the Agreement. The Recipient must indicate the owner(s) of the results (results ownership list) in the final periodic report.

#### 1.2.6. Protection of results

The Recipient [which has received EIT funding] must adequately protect its results — for an appropriate period and with appropriate territorial coverage — if protection is possible and justified, taking into account all relevant considerations, including the prospects for commercial exploitation, the legitimate interests of the other Recipients in the same Project and any other legitimate interests.

### 1.2.7. Exploitation of results

The Recipient [which has received EIT funding under the grant] must — up to four years after the end of the Project — use its best efforts to exploit its results directly or to have them exploited indirectly by another entity, in particular through transfer or licensing. If, despite the Recipient's best efforts, the results are not exploited within one year after the end of the Project, the Recipient must (unless otherwise agreed in writing with the KIC LE) use the Horizon Results Platform to find interested parties to exploit the results. If results are incorporated in a standard, the Recipient must (unless otherwise agreed with the KIC LE or unless it is impossible) ask the standardisation body to include the funding statement (see Article 2.3.1. of Section 2 of this Annex 3) in (information related to) the standard.

#### [1.2.7.1. Additional exploitation obligations

Where the call conditions impose additional exploitation obligations (including obligations linked to the restriction of participation or control due to strategic assets, interests, autonomy or security reasons), the Recipients must comply with them — up to four years after the end of the Project. Where the call conditions impose additional exploitation obligations in case of a public emergency, the Recipients must (if requested by the KIC LE) grant for a limited period of time specified in the request, non-exclusive licences — under fair and reasonable conditions — to their results to legal entities that need the results to address the public emergency and commit to rapidly and broadly exploit the resulting products and services at fair and reasonable conditions. This provision applies up to four years after the end of the Project].

#### [1.2.7.2. Additional information obligation relating to standards

Where the call conditions impose additional information obligations relating to possible standardisation, the Recipients must — up to four years after the end of the Project — inform the KIC LE, if the results could reasonably be expected to contribute to European or international standards.]

### 1.2.8. Transfer and licensing of results

#### 1.2.8.1. Transfer of ownership

The Recipient may transfer ownership of its results, provided this does not affect compliance with its obligations under the Agreement. The Recipient must ensure that its obligations under the Agreement regarding its results

are passed on to the new owner and that this new owner has the obligation to pass them on in any subsequent transfer. Moreover, it must inform the other Recipients involved in the same Project with access rights of the transfer at least 45 days in advance (or less if agreed in writing), unless agreed otherwise in writing for specifically identified third parties including affiliated entities or unless impossible under the applicable law. This notification must include sufficient information on the new owner to enable the other Recipients involved in the same Project to assess the effects on their access rights. The Recipients involved in the same Project may object within 30 days of receiving notification (or less if agreed in writing), if they can show that the transfer would adversely affect their access rights. In this case, the transfer may not take place until agreement has been reached between the Recipients concerned.

#### 1.2.8.2. Granting licences

The Recipient may grant licences to its results (or otherwise give the right to exploit them), including on an exclusive basis, provided this does not affect compliance with their obligations. Exclusive licences for results may be granted only if all the other Recipients involved in the same Project concerned have waived their access rights.

#### [1.2.8.3. KIC LE right to object to transfers or licensing

Where the call conditions provide for the right to object to transfers or licensing, the KIC LE may — up to four years after the end of the action — object to a transfer of ownership or the exclusive licensing of results, if:

- the Recipients which generated the results have received funding under the grant
- it is to a legal entity established in a non-EU country not associated with Horizon Europe, and
- the KIC LE considers that the transfer or licence is not in line with EU interests.

The Recipients that intend to transfer ownership or grant an exclusive licence must formally notify the KIC LE 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 interests, in particular regarding competitiveness as well as consistency with ethical principles and security considerations.

The KIC LE may request additional information.

If the KIC LE decides to object to a transfer or exclusive licence, it must formally notify the Recipient 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 granting authority decision, within the period set out above
- if the KIC LE objects
- until the conditions are complied with, if the KIC LE objection comes with conditions.

A Recipient may formally notify a request to waive the right to object regarding intended transfers or grants to a specifically identified third party, if measures safeguarding EU interests are in place. If the KIC LE agrees, it will formally notify the Recipient concerned within 60 days of receiving notification (or any additional information requested).]

[12.8.4. Limitations to transfers and licensing due to strategic assets, interests, autonomy or security reasons of the EU and its Member States

Where the call conditions restrict participation or control due to strategic assets, interests, autonomy or security reasons, the Recipients may not transfer ownership of their results or grant licences to third parties which are established in countries which are not eligible countries or target countries set out in the call conditions (or, if applicable, are controlled by such countries or entities from such countries) — unless they have requested and received prior approval by the KIC LE.

The request must:

- identify the specific results concerned
- describe in detail the new owner and the planned or potential exploitation of the results, and
- include a reasoned assessment of the likely impact of the transfer or license on the strategic assets, interests, autonomy or security of the EU and its Member States.

The KIC LE may request additional information.]

#### 1.2.9. Access rights to results and background

##### 1.2.9.1. Exercise of access rights — Waiving of access rights — No sub-licensing

Requests to exercise access rights and the waiver of access rights must be in writing. Unless agreed otherwise in writing with the Recipient granting access, access rights do not include the right to sub-license. If a Recipient is no longer involved in the Project, this does not affect its obligations to grant access. If the Recipient defaults on its obligations, the other Recipients involved in the same Project may agree that that Recipient no longer has access rights

#### 1.2.9.2. Access rights for implementing the action

The Recipient must grant to the other Recipients involved in the same Project access — on a royalty-free basis — to background needed to implement its own tasks under the Project, unless the Recipient that holds the background has — before acceding to the Project Agreement —:

- informed the other Recipients involved in the same Project that access to its background is subject to restrictions, or
- agreed with the other Recipients involved in the same Project that access would not be on a royalty-free basis.

The Recipients must grant to the other Recipients in the same Project other access — on a royalty-free basis — to results needed for implementing their own tasks under the action.

#### 1.2.9.3. Access rights for exploiting the results

The Recipient must grant to the other Recipients in the same Project access — under fair and reasonable conditions — to results needed for exploiting their results. The Recipient must grant to the other Recipients in the same Project access — under fair and reasonable conditions — to background needed for exploiting their results, unless the Recipient that holds the background has — before acceding to the Project Agreement — informed the other Recipients in the same Project that access to its background is subject to restrictions. Requests for access must be made — unless agreed otherwise in writing — up to one year after the end of the Project.

#### 1.2.9.4. Access rights for entities under the same control

Unless agreed otherwise in writing by the Recipients involved in the same Project, access to results and, subject to the restrictions referred to above (if any), background must also be granted — under fair and reasonable conditions — to entities that:

- are established in an EU Member State or Horizon Europe associated country
- are under the direct or indirect control of another Recipient, or under the same direct or indirect control as that Recipient or directly or indirectly controlling that Recipient and
- need the access to exploit the results of that Recipient.

Unless agreed otherwise in writing, such requests for access must be made by the entity directly to the Recipient concerned. Requests for access must be made — unless agreed otherwise in writing — up to one year after the end of the Project.

#### 1.2.9.5. Access rights for the granting authority, EU institutions, bodies, offices or agencies and national authorities to results for policy purposes — Horizon Europe actions

In Horizon Europe actions, the Recipient [which have received funding under the grant] must grant access to its results — on a royalty-free basis — to the KIC LE, the EIT, EU institutions, bodies, offices or agencies for developing, implementing and monitoring EU policies or programmes. Such access rights do not extend to the Recipients' background. Such access rights are limited to non-commercial and non-competitive use.

[For Projects under the cluster 'Civil Security for Society', such access rights also extend to national authorities of EU Member States for developing, implementing and monitoring their policies or programmes in this area. In this case, access is subject to a bilateral agreement to define specific conditions ensuring that:

- the access rights will be used only for the intended purpose and
- appropriate confidentiality obligations are in place.

Moreover, the requesting national authority or EU institution, body, office or agency (including the granting authority) must inform all other national authorities of such a request.]

#### 1.2.9.6. Additional access rights

Where the call conditions impose additional access rights, the Recipients must comply with them.



## Annex 3 - Section 2: Communication, dissemination and visibility rules

### 2.1 General

Further to Article 11 of the Agreement, the following communication, dissemination and visibility rules as provided in this Section 2 of this Annex 3 apply.

Further specific communication, dissemination and visibility rules for the Project(s) may be set out in the relevant Project Agreement.

### 2.2 Communication and dissemination

#### 2.2.1. Dissemination

##### 2.2.1.1. Dissemination of results

The Recipient must disseminate its results as soon as feasible, in a publicly available format, subject to any restrictions due to the protection of intellectual property, security rules or legitimate interests.

If Recipient intends to disseminate its results, it must give at least 15 days advance notice to KIC LE and the other Recipients involved in the same Project (unless agreed otherwise), together with sufficient information on the results it will disseminate.

The KIC LE or another Recipient involved in the same Project may object within (unless agreed otherwise) 15 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 results may not be disseminated unless appropriate steps are taken to safeguard those interests.

##### 2.2.1.2. Additional dissemination obligations

Where the call conditions impose additional dissemination obligations, the Recipient must also comply with those.

#### 2.2.2. Open Science

#### 2.2.2.1. Open science: open access to scientific publications

The Recipient must ensure open access to peer-reviewed scientific publications relating to its results. In particular, it must ensure that:

- at the latest at the time of publication, a machine-readable electronic copy of the published version, or the final peer-reviewed manuscript accepted for publication, is deposited in a trusted repository for scientific publications;
- immediate open access is provided to the deposited publication via the repository, under the latest available version of the Creative Commons Attribution International Public Licence (CC BY) or a licence with equivalent rights; for monographs and other long-text formats, the licence may exclude commercial uses and derivative works (e.g. CC BY-NC, CC BY-ND); and
- information is given via the repository about any research output or any other tools and instruments needed to validate the conclusions of the scientific publication.

The Recipient must retain sufficient intellectual property rights to comply with the open access requirements.

Metadata of deposited publications must be open under a Creative Commons Public Domain Dedication (CC 0) or equivalent, in line with the FAIR principles (in particular machine actionable) and provide information at least about the following: publication (author(s), title, date of publication, publication venue); Horizon Europe or Euratom funding; grant project name, acronym and number; licensing terms; persistent identifiers for the publication, the authors involved in the action and, if possible, for their organisations and the grant. Where applicable, the metadata must include persistent identifiers for any research output or any other tools and instruments needed to validate the conclusions of the publication.

Only publication fees in full open access venues for peer-reviewed scientific publications are eligible for reimbursement.

#### 2.2.2.2. Open science: research data management

The Recipient must manage the digital research data generated in the Project ('data') responsibly, in line with the FAIR principles and by taking all of the following actions:

- establish a data management plan ('DMP') (and regularly update it);
- as soon as possible and within the deadlines set out in the DMP, deposit the data in a trusted repository; if required in the call conditions, this repository must be federated in the EOSC in compliance with EOSC requirements;

- as soon as possible and within the deadlines set out in the DMP, ensure open access — via the repository — to the deposited data, under the latest available version of the Creative Commons Attribution International Public License (CC BY) or Creative Commons Public Domain Dedication (CC 0) or a licence with equivalent rights, following the principle ‘as open as possible as closed as necessary’, unless providing open access would in particular:
  - o be against the Recipient’s legitimate interests, including regarding commercial exploitation, or
  - o be contrary to any other constraints, in particular the EU competitive interests or the Recipient’s obligations under this Agreement; if open access is not provided (to some or all data), this must be justified in the DMP
- provide information via the repository about any research output or any other tools and instruments needed to re-use or validate the data.

Metadata of deposited data must be open under a Creative Common Public Domain Dedication (CC 0) or equivalent (to the extent legitimate interests or constraints are safeguarded), in line with the FAIR principles (in particular machine-actionable) and provide information at least about the following: datasets (description, date of deposit, author(s), venue and embargo); Horizon Europe or Euratom funding; and number; licensing terms; persistent identifiers for the dataset, the authors involved in the action, and, if possible, for their organisations and the grant. Where applicable, the metadata must include persistent identifiers for related publications and other research outputs.

#### [2.2.2.3. Open science: additional practices

Where the call conditions impose additional obligations regarding open science practices, the Recipient must also comply with those.

Where the call conditions impose additional obligations regarding the validation of scientific publications, the Recipient must provide (digital or physical) access to data or other results needed for validation of the conclusions of scientific publications, to the extent that their legitimate interests or constraints are safeguarded (and unless they already provided the (open) access at publication.

Where the call conditions impose additional open science obligations in case of a public emergency, the Recipient must (if requested by the granting authority) immediately deposit any research output in a repository and provide open access to it under a CC BY licence, a Public Domain Dedication (CC 0) or equivalent. As an exception, if the access would be against the Recipient’s legitimate interests, the Recipient must grant nonexclusive licenses — under fair and reasonable conditions — to legal entities that need the research output to address the public emergency and commit to rapidly and broadly exploit the resulting products and services at fair and reasonable conditions. This provision applies up to four years after the end of the action.]

### 2.2.3. Plan for the exploitation and dissemination of results including communication activities

Unless excluded by the call conditions, the beneficiaries must provide and regularly update a plan for the exploitation and dissemination of results including communication activities.

## 2.3 Visibility rules

### 2.3.1. European flag and funding statement

When engaging in communication and promotion activities, the Recipient must follow the logos and guidelines provided in the EIT Community Brand Book published on the EIT website.

In particular, activities funded through EIT grants must follow the grant agreement and must display the European flag (emblem) and funding statement (translated into local languages, where appropriate):



Funded by the  
European Union



Co-funded by the  
European Union



Funded by the  
European Union

Confidential



Funded by the  
European Union



Co-funded by the  
European Union

and the special logo of EIT Manufacturing:



Funded by the  
European Union

and the following text:

“EIT [xxx] is supported by the European Institute of Innovation and Technology (EIT), a body of the European Union”

for all communication activities and infrastructure, equipment or major results.

In addition, the Recipient shall take into account and respect any co-branding guidelines and requirements provided and set by EIT [xxx]. For clarification purposes, specific guidelines and requirements may be set for different kind of activities and results, such as KAVA and start-ups created.

The Recipient shall comply with these co-branding obligations in accordance with the monitoring processes as provided for by EIT [xxx].

### 2.3.2. Quality of information - disclaimer

Any communication or dissemination activity related to the Project(s) must use factually accurate information.

Moreover, it must indicate the following disclaimer (translated into local languages where appropriate):

“Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the EIT. Neither the European Union nor the granting authority can be held responsible for them.”

*2.3.3. Use of names, logos or trademarks*

Nothing in this Agreement shall be construed as conferring rights to use in advertising, publicity or otherwise the name of the KIC LE and other Recipients or any of their logos or trademarks without their prior written approval.

## Annex 3 - Section 3: Record keeping

In addition to the provisions of Article 12.2.1 of the Agreement, the Recipient must — for the same period — keep the following to justify the amounts declared:

- (a) for actual costs: adequate records and supporting documents to prove the costs declared (such as contracts, subcontracts, invoices and accounting records); in addition, the Recipient's usual accounting and internal control procedures must enable direct reconciliation between the amounts declared, the amounts recorded in their accounts and the amounts stated in the supporting documents;
- (b) for flat-rate costs and contributions (if any): adequate records and supporting documents to prove the eligibility of the costs or contributions to which the flat-rate is applied;
- (c) for the following simplified costs and contributions: the Recipient does not need to keep specific records on the actual costs incurred, but must keep:
  - for unit costs and contributions (if any): adequate records and supporting documents to prove the number of units declared;
  - (ii) for lump sum costs and contributions (if any): adequate records and supporting documents to prove proper implementation of the work as described in the relevant Project Agreement;
  - for financing not linked to costs (if any): adequate records and supporting documents to prove the achievement of the results or the fulfilment of the conditions as described in the relevant Project Agreement;
- (d) for unit, flat-rate and lump sum costs and contributions according to usual cost accounting practices (if any): the Recipient must keep any adequate records and supporting documents to prove that its cost accounting practices have been applied in a consistent manner, based on objective criteria, regardless of the source of funding, and that they comply with the eligibility conditions set out in Article 5.3 of the Agreement.
- (e) the following is needed for personnel costs: time worked for the Recipient under the Project must be supported by declarations signed monthly by the person and their supervisor, unless another reliable time-record system is in place; the granting authority may accept alternative evidence supporting the time worked for the action declared, if it considers that it offers an adequate level of assurance.

The records and supporting documents must be made available upon request (see Article 12.1 of the Agreement) or in the context of checks, reviews, audits or investigations (see Article 13 of the Agreement). 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 13 of the Agreement), the Recipient must keep these records and other supporting documentation until the end of these procedures. The Recipient must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law. The KIC LE may accept non-original documents if they offer a comparable level of assurance.

## Annex 3 - Section 4: Checks, reviews, audits and investigations

Further to Article 13 of the Agreement, the following shall apply:

**4.1.** The Recipient expressly agrees to cooperate diligently and provide all information requested (in addition to deliverables and reports already submitted, including information on the use of resources), concerning the compliance with its obligations under the Agreement, including the proper use of the Confirmed EIT Funding. The foregoing including the obligation to provide access to its sites, and premises (including to outside experts) and must ensure that information requested is readily available. Information provided must be accurate, precise, and provided in a complete manner and in the format requested including electronic format. The Recipient will also give access to data processing systems, bodies, staff and external persons or bodies.

**4.2.** The checks, reviews, audits and investigations pertain to:

- Project reviews: reviews on the proper implementation of the Project(s) and compliance with the obligations under the Agreement. Such Project reviews may be started during the implementation of the Project(s) and until [the time-limit] set out in [xxx].
- Audits: on the proper implementation of the Project(s) and compliance with the obligations under the Agreement. Such Project reviews may be started during the implementation of the Project(s) and until the time-limit set out in [xxx].

**4.3.** The Recipient must keep all relevant information relating to the Project(s), at least until [xxx].



## Annex 3 - Section 5: Ethics and values

Further to Article 15 of the Agreement, the following shall apply:

### 5.1. Ethics

#### **Ethics and research integrity**

The Recipient must carry out the Projects in compliance with:

- ethical principles (including the highest standards of research integrity) and
- applicable EU, international and national law, including the Charter of Fundamental Rights of the European Union and the European Convention for the Protection of Human Rights and Fundamental Freedoms and its Supplementary Protocols.

No financial support/EIT funding can be granted, within or outside the EU, for activities that are prohibited in all Member States. No financial support/EIT funding can be granted in a Member State for an activity which is forbidden in that Member State.

The Recipient must pay particular attention to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of persons, the right to non-discrimination, the need to ensure protection of the environment and high levels of human health protection.

The Recipient must ensure that the KAVA(s)/Project(s) have an exclusive focus on civil applications.

The Recipient must ensure that the activities under the Projects do not:

- aim at human cloning for reproductive purposes
- intend to modify the genetic heritage of human beings which could make such modifications heritable (with the exception of research relating to cancer treatment of the gonads, which may be financed)
- 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, or
- lead to the destruction of human embryos (for example, for obtaining stem cells).

KAVA(s)/Project(s) involving research on human embryos or human embryonic stem cells may be carried out only if KIC LE has obtained explicit approval (in writing) from the EIT.

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

This implies compliance with the following 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 the Recipient must ensure that persons carrying out research tasks follow the good research practices including ensuring, where possible, openness, reproducibility and traceability and refrain from the research integrity violations described in the Code.

Projects raising ethical issues must comply with the additional requirements formulated by the ethics panels (including after checks, reviews or audits; see Article 13 of the Agreement).

Before starting a KAVA/Project task raising ethical issues, the Recipient must have obtained all approvals or other mandatory documents needed for implementing the KAVA/Project, notably from any (national or local) ethics committee or other bodies such as data protection authorities.

The documents must be kept on file and be submitted upon request by the KIC LE to the EIT. If they are not in English, they must be submitted together with an English summary, which shows that the documents cover the action tasks in question and includes the conclusions of the committee or authority concerned (if any).

## **5.2. Values**

The Recipient must commit to and ensure the respect of basic EU values (such as respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of minorities).

### 5.3 Gender mainstreaming

The Recipient must take all measures to promote equal opportunities between men and women in the implementation of the KAVA(s)/Project(s) and, where applicable, in line with the gender equality plan. They must aim, to the extent possible, for a gender balance at all levels of personnel assigned to the KAVA(s)/Project(s), including at supervisory and managerial level.

## Annex 4 -- Declaration of honour

### Declaration on honour on eligibility, exclusion and selection

Call for Proposals 2024

The undersigned \_\_\_\_\_, representing the following legal person/entity:

Full official name:

Official legal form:

Statutory registration number:

Full official address:

VAT registration number:

declares that the entity:

- (1) is eligible in accordance with the criteria set out in the specific call for proposals;
- (2) has the required legal, regulatory, financial, technical and operational capacity to carry out the activity/work programme applied for in the specific call for proposals;
- (3) has not received any other European Union funding to carry out the activity/work programme applied for in this call for proposal and commits to declare immediately to the EIT Manufacturing any other such European Union funding it would receive until the end of the activity/work programme.

IF ANY OF THE ABOVE REQUIREMENTS IS NOT SATISFIED, PLEASE INDICATE IN ANNEX TO THIS DECLARATION WHICH AND THE NAME OF THE CONCERNED ENTITY WITH A BRIEF EXPLANATION.

#### **I – SITUATIONS OF EXCLUSION CONCERNING THE ENTITY**

(4) declares that the entity is not in one of the following situations. *If yes, please indicate in annex to this declaration which situation with a brief explanation.*

- a) it is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it

is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;

b) it has been established by a final judgement or a final administrative decision that it is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;

c) it has been established by a final judgement or a final administrative decision that it is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the entity belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

(i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;

(ii) entering into agreement with other persons with the aim of distorting competition;

(iii) violating intellectual property rights;

(iv) attempting to influence the decision-making process of the EU Bodies during the award procedures;

(v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;

d) it has been established by a final judgement that it is guilty of the following:

(i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;

(ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where the authorising officer is located, the country in which the entity is established or the country of the performance of the contract;

(iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;

(iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;

(v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;

(vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

e) it has shown significant deficiencies in complying with the main obligations in the performance of a contract, a grant agreement or a grant decision financed by the European Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an Authorising Officer, OLAF or the Court of Auditors;

f) it has been established by a final judgment or final administrative decision that it has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;

g) it has been established by a final judgment or final administrative decision that the person or entity has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration or principal place of business;

In the absence of a final judgement or final administrative decision in the cases referred to in points c), d), f), and g) above, or in the case referred to in point (e) the Applicant in particular is subject to:

(i) facts established in the context of audits or investigations carried out by EPPO in respect of those Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939, the Court of Auditors, OLAF or the internal auditor, or any other check, audit or control performed under the responsibility of the authorising officer;

(ii) non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;

(iii) facts referred to in decisions of persons and entities implementing Union funds pursuant to point (c) of the first subparagraph of Article 62(1) of the Financial Regulation;

(iv) information transmitted in accordance with point (d) of Article 142(2) of the Financial Regulation by entities implementing Union funds pursuant to point (b) of the first subparagraph of Article 62(1) of the Financial Regulation;

(v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law.

## **II – SITUATIONS OF EXCLUSION CONCERNING NATURAL PERSONS WITH POWER OF REPRESENTATION, DECISION-MAKING OR CONTROL OVER THE ENTITY**

(5) declares that, for the entity subject to this declaration, (a) natural person(s) who is/are member(s) of the administrative, management or supervisory body(ies) or who has/have powers of representation, decision or control (this covers company directors, members of management or supervisory bodies, and cases where one person holds a majority of shares) is/are not in one of the following situations. *If yes, please indicate in annex to this declaration which situation and the name(s) of the concerned person(s) and entity with a brief explanation.*

- situation (c) above (grave professional misconduct)
- situation (d) above (fraud, corruption or other criminal offence)
- situation (e) above (significant deficiencies in performance of a contract)
- situation (f) above (irregularity)

### **III – SITUATIONS OF EXCLUSION CONCERNING NATURAL OR LEGAL PERSONS ASSUMING UNLIMITED LIABILITY FOR THE DEBTS OF THE ENTITY**

(6) declares that (a) natural or legal person(s) that assume(s) unlimited liability for the debts of the entity(ies) subject to this declaration is/are not in one of the following situations. *If yes, please indicate in annex to this declaration which situation and the name(s) of the concerned person(s) and entity(ies) with a brief explanation .*

- situation (a) above (bankruptcy)
- situation (b) above (breach in payment of taxes or social security contributions)

### **IV REMEDIAL MEASURES**

If for any entity subject to this declaration it has been declared that it is in one of the situations of exclusion listed above, an annex to this declaration must indicate the measures the entity has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. The annex must include relevant documentary evidence which illustrates the remedial measures taken. Remedial measures cannot be proposed for situations referred in point (d).

### **V EVIDENCE TO BE PRESENTED**

If selected, any applicant receiving more than 60000 euros of financial support will be asked to provide the EIT Manufacturing evidence for compliance with the exclusion criteria. This evidence may include:

- A certificate of good standing or equivalent issued by a judicial or administrative authority in the country of establishment of the Applicant.
- A certificate/statement by a certified public accountant or equivalent proving that the applicant has the required financial capacity and resources to undertake the activity applied for.

The documentation shall be provided before the signature of any contractual agreements regarding the funding. Failure to provide the above-mentioned documentation may result in the exclusion of the applicant and the activity/work programme it has been selected for.

If the evidence is accessible free of charge on a national database, the Applicant shall provide the EIT Manufacturing with all the necessary information to access such databases.

If the Applicant has a validated PIC less than a year or if the Applicant is a large entity within the meaning of the Articles of Association of EIT Manufacturing, or in any other justified cases deemed by EIT Manufacturing, the applicant will be exempt from providing such documentation.

## VI EVIDENCE UPON REQUEST

The EIT Manufacturing may request any entity subject to this declaration and selected for the call for proposals, to provide additional evidence concerning the entity itself and / or concerning the natural or legal persons which assume unlimited liability for the debts of the entity and/ or on any person that is member of an administrative, management or supervisory body (persons with powers of representation, decision or control with regard to that entity).

If selected for the call for proposals and within the time limit set by the EIT Manufacturing, the Applicant may be requested to provide additional information on the entity itself/the natural or legal persons that are members of the administrative, management or supervisory body, or that have powers of representation, decision or control with regard to the Applicant, on the beneficial owners of the Applicant, as well as the natural or legal persons which assume unlimited liability for the debt of the Applicant and the following evidence:

For situations described in (a), (c), (d), (f), and (g), production of a recent extract from the judicial record is required or, failing that, an equivalent document recently issued by a judicial or administrative authority in the country of establishment of the Applicant showing that those requirements are satisfied.

For the situation described in point (a) or (b), production of recent certificates issued by the competent authorities of the country of establishment. Where such types of certificates are not issued in the country concerned, it may be replaced by a sworn statement made before a judicial authority or notary or, failing that, a solemn statement made before an administrative authority or a qualified professional body in its country of establishment.

If the Applicant already submitted such evidence for the purpose of another procedure administered by the EIT Manufacturing that is still valid and not dating more than a year, the Applicant shall declare on its honour that the documentary evidence has already been provided and confirm that no changes have occurred in its situation.

If the evidence is accessible free of charge on a national database, the Applicant shall provide the EIT Manufacturing with all the necessary information to access such databases.

**The entity subject to this declaration may be subject to rejection from the call for proposals if any of the declarations or information provided as a condition for participating in this call prove to be false or misrepresented. The entity subject to this declaration understand that failure to supply requested information or if they turn out be involved in the preparation of the call and this entails a distortion of competition that cannot be remedied otherwise may also be subject to rejection from the call for proposals.**

Full name

Date





Funded by the  
European Union

Confidential

Signature

## Annex 5 – Declaration on joint and several liability of affiliated entities<sup>1</sup>

[**AE legal name (short name)**], PIC [number], established in [legal address] ('the Affiliated Entity'),

linked to recipient [**BEN legal name (short name)**], PIC [number], established in [legal address] ('the Recipient'),

**hereby accepts joint and several liability with the Recipient**

for any amount owed to the KIC LE by the Recipient under Financial Support Agreement [insert agreement number] — [insert acronym], up to the maximum amount of the financial support indicated, for the Affiliated Entity, in the estimated KAVA budget.

The Affiliated Entity irrevocably and unconditionally agrees to pay amounts requested under this declaration to the KIC LE, immediately and at first demand.

The Affiliated Entity waives all rights of objection and defense based on arguments relating to the validity or effects of the Financial Support Agreement.

This guarantee is governed by the laws of Belgium. Disputes must be brought before the courts of Brussels, Belgium.

SIGNATURE

For the Affiliated Entity [forename/surname/function]

[signature] [date] [stamp]

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<sup>1</sup> HE template: see Annex 3a of the GA under the following link: [https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/temp-form/gap/declaration-joint-and-several-liability-affiliated-entities\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/temp-form/gap/declaration-joint-and-several-liability-affiliated-entities_en.pdf)

## Annex 6 – KAVA Annex

# EIT Manufacturing - KAVA Annex

This annex to the FSA, with the effective date on January 1<sup>st</sup>, 2023 (hereinafter KAVA Annex) is entered into

BETWEEN:

EIT Manufacturing ASBL, with registered office at 2 Boulevard Thomas Gobert, 91120 Palaiseau, France, hereinafter referred to as “the KIC LE”;

And

**Partner’s Organization**, with registered office at **Adress**, **City**, **Country**, hereinafter referred to as “EIT Manufacturing Partner”

hereinafter, jointly or individually, referred to as “Parties” or “Party”;

WHEREAS

In accordance with the section 10.2 and section 10.3 of the General Project Terms, the Parties wish to enter into this KAVA Annex in order to specify the financial support to be received by the EIT Manufacturing Partner and the payment thereof for the KAVA [xxx] for the year [2023].

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS

## Article 1: Definitions

Words beginning with a capital letter shall have the same meaning as in the FSA or the General Project Terms.

## Article 2: Entry into force, duration and termination

This KAVA Annex is effective as from the Effective Date.

This KAVA Annex shall continue in full force and effect until complete fulfilment of all obligations undertaken by the Parties under this KAVA Annex. However, this KAVA Annex or the participation may be terminated in accordance with the terms of the FSA and/or the General Project Terms.

## Article 3: Financial support

The maximum amount of the financial support and the amount of the total co-funding for the KAVA [xxx] for [2023] is the following:

<b>Partner</b>	<b>Activities funded</b>	<b>Partner Co-funding</b>	<b>Total KAVA Costs</b>
<b>XXX</b>		-	
XX – Activity description		-	

## Article 4: Payments of the financial support

[placeholder: if in addition to the section 10.3 of the General Project Terms, further arrangements need to be included regarding the payment of the financial support]

## Signatures

AS WITNESS:

The Parties have caused this KAVA Annex to be duly signed by the undersigned authorised representatives in separate signature pages the day and year first above written.

The signature of a Party via a scanned or digitized image of a handwritten signature (e.g. scan in PDF format) or an electronic signature (e.g. via DocuSign), shall have the same force and effect as an original handwritten signature for the purposes of validity, enforceability and admissibility. Each Party receives a fully executed copy of the KAVA Annex. Delivery of the fully executed copy via e-mail or via an electronic signature system shall have the same force and effect as delivery of an original hard copy.

[LOGO KIC]

Financial support agreement - Version 1.0

Name of Recipient: [xxx]

[Partner name

Signature(s)

[Name]

[Title(s)]

In [Place], on [Date] |

EIT Manufacturing ASBL [KIC LE]

Signature