

General Terms and Conditions

Part A – Basic Provisions

Article 1

General Provisions

- 1) The General Terms and Conditions are binding and enforceable against the contracting Parties of the Project Contract for the Programme Project.
- 2) The General Terms and Conditions are also binding and enforceable if the Beneficiary was granted the Decision on Provision of Funding, in which case they shall apply proportionately.
- 3) The specific conditions of the Project Contract and the Decision on Provision of Funding may, in accordance with the conditions of the Call for Proposals or the conditions of a Public Tender project, establish provisions different from the General Terms and Conditions.
- 4) The Project Contract and General Terms and Conditions contain all the rights and obligations of the Beneficiary. The methodological and procedural aspects of their implementation are set out in the Provider's internal regulations, which are available on the Provider's website.

Article 2

Definition of Terms

- 1) For the purposes of the Project Contract:
 - a) **“Other Participant”** means a legal entity or a natural person, an organisational component of the state, or an organisational unit of the ministry, engaged in research and development, whose participation in the Project is defined in the Project proposal and with which the Main Beneficiary has concluded an Agreement on Participation in the Project Implementation, while such an applicant or beneficiary usually has no contractual relationship with the Provider,
 - b) **“Project Duration”** means the time period from the date of initiation of the Project by the Beneficiary to the day of completion of the Project by the Beneficiary, while the Project is also considered completed in the case of premature termination of the Project in connection with the expiration of the Project Contract or the Decision on Provision of Funding,

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- c) **“Confidential Information”** means information which can be considered a trade secret in the sense of the relevant provisions of Act No. 89/2012 Coll. of the Civil Code, or which has been designated as confidential by one of the contracting Parties, or any information, the disclosure of which by one of the contracting Parties may be disadvantageous for the other contracting Party unless it is generally publicly known or has not been designated as non-confidential by the Party,
- d) **“Main Beneficiary”** means the beneficiary who enters into a contractual relationship with the Provider and is responsible for fulfilling all obligations during the Project implementation to the Provider on the basis of the Project Contract or the Decision on Provision of Funding – both the obligations of the Main Beneficiary and the Other Participant,
- e) **“Plan for Exploitation and Dissemination of Results”** means the plan of implementation of the Project Results presented by the Main Beneficiary, the fulfilment of which is subsequently evaluated, for example, through implementation reports.
- f) **“R&D&I IS”** means the Information System of Research, Experimental Development, and Innovation, which is an information system of public administration ensuring the collection, processing, provision, and utilisation of data on research, development, and innovation funded by public funds; the IS content, the procedure for transfer, classification, processing, and provision of data is stipulated by Act on the Support of Research and Development – i.e., Government Regulation No. 397/2009 Coll. on the information system of research, experimental development, and innovation, special legislation and the operating regulations of IS R&D&I,
- g) **“Monitoring Process”** means the process defined in Article 20 of these General Terms and Conditions, carried out mainly for the purpose of evaluating the fulfilment of Project objectives, inspection of project financing, evaluation of achieved results and their legal protection,
- h) **“Regulation”** means the Commission Regulation (EC) No. 651/2014 of 17 June 2014 declaring certain categories compatible with the internal market in accordance with Articles 107 and 108 of the Treaty,
- i) **“Enterprise”** means any entity engaged in an economic activity, regardless of its legal form within the meaning of Annex 1 to the Regulation, while this Annex and Article II(2 and 24) of the Regulation define the sizes of enterprises as large, medium, small, and micro-enterprises,
- j) **“Funding”** means targeted funding for the Project provided by the Provider in the form of a subsidy following the outcomes of a Call for Proposals or a Public Tender in Research, Development, and Innovation, and under the Project Contract or Decision on Provision of Funding,
- k) **“Provider”** means the Technology Agency of the Czech Republic (TA CR),

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- l) **“Funding Rules”** mean a set of rights and obligations set out in the Project Contract or Decision on Provision of Funding, the General Terms and Conditions, the relevant Programme and call documentation, and generally binding legal regulations (national and European), in particular, Act on the Support of Research and Development, budgetary regulations, and State Aid Rules,
- m) **“State Aid Rules”** mean a set of rights and obligations set out in Articles 107 to 109 of the Treaty on the Functioning of the European Union and, for the purposes of research, development and innovation, particularly by the Framework and Regulation,
- n) **“Programme”** means a programme within the meaning of Section 2(2g) of Act on the Support of Research and Development,
- o) **“Project”** means a project within the meaning of Section 2(2h) of Act on the Support of Research and Development,
- p) **“Subject of Intellectual Property”** means intangible assets protected by the copyright and rights related to the copyright and subjects of industrial right protection, i.e., technical solutions (patents, utility models, or topographies of semiconductor products), subjects of industrial design (industrial designs), product labels and service labels (trademarks, designations of origin, geographical designation, company) and, above all, trade secrets and know-how (both written and unwritten production, commercial, and other experience),
- q) **“Beneficiary”** means the applicant in favour of which the funding is granted by the Provider’s Decision within the meaning of Section 21(7) of Act on the Support of Research and Development, while the record date shall be the day of delivery of such Decision, and if the Beneficiary is subject to rights and obligations, they shall be set out jointly to the Main Beneficiary and Other Participants,
- r) **“Framework”** means the Communication from the Commission – Framework for state aid for research and development and innovation (2014/C 198/01),
- s) **“Budgetary Regulations”** mean Act No. 218/2000 Coll., on budgetary regulations and amending certain related laws (budgetary regulations),
- t) **“Researcher”** means a natural person responsible to the Beneficiary for the professional level of the Project,
- u) **“Agreement on Participation in Project Implementation”** means the agreement concluded between the Main Beneficiary and Other Participants according to Section 2(2j) of Act on the Support of Research and Development,
- v) **“Recognised Costs”** mean costs within the meaning of Section 2(2n) of Act on the Support of Research and Development,

- w) **“Administrative and Financial Inspection”** means an inspection of the beneficiaries of state financial aid or of the applicants for the state financial aid performed by the Provider as the inspection body within the meaning of Section 3(1a) of Act No. 320/2001 Coll. on Financial Inspection (hereinafter referred to as “Act on Financial Inspection”),
- x) **“State Aid”** means the support within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union,
- y) **“Call for Proposals”** means a call for proposals in research, development, and innovation according to Chapter V of the Act on the Support of Research and Development,
- z) **“Public Tender in Research, Development, and Innovation”** means a contract for services in applied research, development, or innovations under Section 2(2f) of Act on the Support of Research and Development,
- aa) **“Project Result”** means an outcome within the meaning of Section 2(2k) of Act on the Support of Research and Development,
- bb) **“Research Organisation”** means an organisation for research and knowledge dissemination within the meaning of Article 2(83) of the Regulation,
- cc) **“Binding Project Parameters”** mean the Annex to the Project Contract, which is the approved project proposal within the meaning of Section 9(2) of Act on the Support of Research and Development, and which contains the information about the Main Beneficiary and Other Participants, the name, surname, and any academic titles and scientific degrees of the researcher, the project schedule, including the start and end date of the Project implementation, Project objectives, declared Project Results, and which include a table with Recognized Costs of the Project,
- dd) **“Act on the Support of Research and Development”** means Act No. 130/2002 Coll. on the support of research, experimental development, and innovation from public funds and amending certain related laws,
- ee) **“Act on Public Procurement”** means Act No. 134/2016 Coll. on Public Procurement,
- ff) **“Eligible Costs”** mean costs within the meaning of Section 2(2m) of Act on the Support of Research and Development.

Part B – Rights and Obligations of Parties, Consequences of their Violation, and Termination of the Project Contract

Article 3 ***Provision of Funding***

- 1) The Provider provides the Main Beneficiary funding under the Project Contract and the terms and conditions set out therein, including funding intended for Other Participants.
- 2) Following the Call for Proposals or Public Tender, the Provider undertakes to provide the funding for the Project implementation in the amount specified in the Binding Project Parameters in a way defined in the specific provisions of the Project Contract.
- 3) The prerequisites for the provision of funding are the following:
 - a) no regulation of drawing of the state budget occurs as a result of budgetary provision or reduction of state funds, and
 - b) no suspension of the provision of funding has been imposed.
- 4) If the drawing of the state budget is regulated, based on the nature and extent of such a measure, the Provider shall:
 - a) notify the Main Beneficiary in writing that the Provider will not provide the relevant part of the funding within the deadline and, if possible, specify a new deadline in which the Main Beneficiary shall receive the part of the funding in question,
 - b) propose to the Main Beneficiary a change in the Binding Project Parameters, or
 - c) terminate the Project Contract.
- 5) The Provider reserves the right not to provide the funding within the deadline set out in the specific terms of the Project Contract if the Provider has doubts regarding the fulfilment of any and all obligations of the Main Beneficiary, while the verification of the fulfilment requires a Monitoring Process. The deadline shall be extended for the duration of the Monitoring Process.
- 6) The Main Beneficiary's obligations are deemed fulfilled for the purposes of providing funding unless, based on the completed or ongoing Monitoring Processes and within the deadline for the provision of funding, the Provider:
 - a) notifies the Main Beneficiary in writing of the commencement of a Monitoring Process,
 - b) requests in writing that the Main Beneficiary fulfils all of their obligations additionally,
 - c) sends the Main Beneficiary a termination of or withdrawal from the Project Contract, or

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- d) initiates a proceeding on the violation of budgetary discipline with the local financial authority or submits a criminal complaint related to the alleged offence committed in connection with the Project to the local relevant law enforcement authority.
- 7) The Provider provides the funding to:
- a) a public university, public research institution, or other entities required by the Budgetary Regulations to have a bank account with the Czech National Bank (hereinafter referred to as the "CNB") by transfer from the Provider's bank account to the CNB bank account specified in the Project Contract,
 - b) other natural and legal entities by transfer from the Provider's bank account to the bank account specified in the Project Contract, and
 - c) organisational units of the state or ministries by transfer of state budget funds using a budgetary measure.
- 8) The relevant part of the funding is deemed as provided on the day the funds so determined are released from the Provider's bank account in favour of the Main Beneficiary or by the approval of the budgetary measure by the Ministry of Finance of the Czech Republic.
- 9) All activities for which the funding is provided must be oriented towards achieving the Project objectives, or the fulfilment of the purpose of the funding, i.e., the Beneficiary's activities fulfils the prerequisites for achieving these objectives.
- 10) If the entire provided funding is not drawn during the Project implementation, the Main Beneficiary shall return the unused portion of the funding back to the Provider's account. The Beneficiary is obliged to transfer the unused portion of the funding back to the Provider's expense account no later than within 14 calendar days after the Beneficiary has learned that they will not use this portion for any reason during the Project implementation, or after they were asked to do so by the Provider. This portion of the funding shall be returned to the Provider's expense account No. 3125001/0710, at latest by 31 December of the year of the Project completion. Maximum of 5% of the provided funding for the last year shall be returned at latest by 15 February of the year following the Project completion to the external funds account No. 6015-3125001/0710. The Beneficiary is also obliged to perform a financial settlement with the state budget by the 15 February of the year following the Project completion.

Article 4
Obligations of the Main Beneficiary

- 1) The Main Beneficiary is obliged to:
 - a) draw on and use the funding in accordance with the Funding Rules and the Binding Project Parameters, in particular, to use the funding for Recognised Costs in accordance with Part E and follow Section 8(4) of Act on the Support of Research and Development pursuant to Act on Public Procurement,
 - b) pay for the part of the funding used by the Other Participant in contravention with the Funding Rules and the Binding Project Parameters consisting mainly of not using the funding by the Other Participant for Recognised Costs in accordance with Part E and non-compliance with Section 8(4) of Act on the Support of Research and Development pursuant to Act on Public Procurement,
 - c) transfer the relevant part of the funding according to the Binding Project Parameters from their bank account to the bank accounts of Other Participants within deadlines set out in the Agreement on Participation in Project Implementation,
 - d) return the part of the funding not used to the Provider's regular expense account according to Article 3(10),
 - e) keep separate accounting records of Recognised Costs and provided Project funding, both financed from funds targeted for the Project implementation for each individual Project, as well as separate records of Project incomes and expenses in case of tax records,
 - f) provide the results in accordance with rules set out in Article 16,
 - g) without undue delay upon the Provider's request, present the Provider with the outcome of the Public Tender in Research, Development, and Innovation, using the relevant protocol,
 - h) achieve all Project objectives declared in the Binding Project Parameters before the completion of the Project.

- 2) The Main Beneficiary is further obliged to:
 - a) commence the Project implementation within the deadline set in the Binding Project Parameters or within 60 calendar days from the date the Project Contract becomes effective, at latest on the date stated in the call documentation,
 - b) request from the Provider or inform the Provider in writing of any change concerning their own or concerning the Other Participant, of any change of facts specified in the Binding Project Parameters and of any other change and circumstances which could affect the Project implementation and its objectives, or of change of details published in the R&D&I IS, and of the fact that the Beneficiary themselves or Other Participants has ceased to meet the eligibility criteria

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since the day the Project Contract came into effect, while such notification can be made directly in the form of a request for change according to Article 22,

- c) when presenting information about the relevant Project funded by the TA CR or about its outcomes in mass media or in another way, inform in an appropriate way that the Project has been implemented with the financial support of the TA CR, on all promotional materials and in all types of media, which relate to the Project or its results and outputs,
- d) submit complete reports and other relevant information in accordance with the Project Contract and relevant Monitoring Processes related both to the Project implementation and to fulfilling the Plan for Exploitation and Dissemination of Results,
- e) provide clear information and ensure that all information stated in the reports or other submitted documents are not in contradiction with the current state, in particular, that the financial settlement included in the final report correspond with the actual amount of the returned unused part of the funding,
- f) provide all necessary cooperation other than the cooperation defined under letter e) in relation with the Monitoring Processes, provide, upon the Provider's request, any information related to the Project implementation, its results, and the necessary information on the Plan for Exploitation and Dissemination of Results progress as well as provide the Provider with all necessary information for the purposes of their disclosure in the R&D&I IS, all within the deadline defined by the individual Monitoring Processes, legal regulation, or deadlines set in the Provider's requests,
- g) provide the necessary cooperation in terms of the Monitoring Processes of the Other Participant,
- h) upon the Provider's request, prove that they fulfil the obligations set out in the Funding Rules within the deadline specified by such request,
- i) provide all cooperation and submit the required information and documents within the specified deadlines,
- j) calculate and pay the Provider all Project revenues in accordance with Article 9 and not to prevent obtaining them,
- k) before signing the Project Contract, have a written Agreement on Participation in Project Implementation with all its mandatory details according to Article 6 if several beneficiaries participate in the Project. The Agreement on Participation in Project Implementation shall become effective no later than the moment the Project Contract comes into force (in particular, by publication in the register of contracts with obliged entities),
- l) with the exception of a Public Tender in Research, Development, and Innovation, submit proof of the utilisation of results together with the final report. This document is, in particular, a contract concluded with a user of the results (e.g. between project partners) or a sworn statement on the use of the results if the recipient will be the only user of the Project Result.

- 3) The Main Beneficiary is also obliged to ensure that the Other Participant also complies with the obligations above, or provides all necessary cooperation in order for the Main Beneficiary to comply with the obligations.
- 4) The Main Beneficiary is obliged to publish, in accordance with Act No. 563/1991 Coll. on accounting, the financial statements in the relevant register within the meaning of Act No. 304/2013 Coll. on public registers of legal entities and natural persons, throughout the entire duration of the Project, if they have this obligation established by the aforementioned laws. They are also obliged to ensure the fulfilment of this obligation by the Other Participant.
- 5) If the Main Beneficiary has the obligation to deliver all documents to the Provider in writing within the set deadline and in case they do not use the electronic submission option (data box information system or e-mail with qualified electronic signature to posta@tacr.cz), the Main Beneficiary is obliged to deliver such documents by the end of the TA CR Mailroom office hours on the last day of the deadline, at the latest. The office hours of the TA CR Mailroom are listed on the Provider's website.
- 6) The Beneficiary is obliged to take measures to remedy the imperfections identified during the Monitoring Processes without undue delay, but no later than within the deadline set by the inspection body, and to inform the Provider of the measures taken, while the Provider reserves the right to inspect the Beneficiary's fulfilment of the imposed remedies.

Article 5

Consequences of Violation of the Conditions for the Provision of Funding

- 1) If the Main Beneficiary violates any of their obligations, the Provider is entitled to suspend the provision of funding and not to provide the relevant part of the funding within the specified deadline.
- 2) Violation of the Main Beneficiary's obligations set out in Article 4(1) is deemed as a violation of budgetary discipline and shall result in the initiation of proceedings on the violation of budgetary discipline while the following applies:
 - a) under a), 100% of the funding used without authorisation is paid,
 - b) under b), 100% of the funding not returned is paid,
 - c) under c), 5% of the relevant part of the funding not transferred to the Other Participant is paid,
 - d) under d), 100% of the relevant part of the funding not returned and its part returned in the next calendar year upon the completion of the Project, exceeding the permitted percentage limits under Article 3(10), is paid,
 - e) under e), 100% of the entire funding provided so far is paid,

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- f) under f), 100% of the entire funding provided so far is paid,
 - g) under g), 100% of the total funding is paid,
 - h) under h), if such violation results in not achieving a Project objective, up to 100% of the funding provided is paid, while the specific amount will be determined according to the methodology for calculating the penalty for not achieving the result.
- 3) The Main Beneficiary's violation of obligations defined in Article 4(2) shall result in:
- a) under a), the obligation to settle a contractual penalty of CZK 5,000 for each commenced month of delay, but not more than CZK 50,000,
 - b) under b), the obligation to settle a contractual penalty of CZK 5,000 for each such violation,
 - c) under c), the obligation to settle a contractual penalty of CZK 5,000 for each such violation,
 - d) under d), the obligation to settle a contractual penalty of CZK 1,000 for each commenced day of delay, but not more than CZK 50,000,
 - e) under e), the obligation to settle a contractual penalty of CZK 5,000 for each such violation,
 - f) under f), the obligation to settle a contractual penalty of CZK 10,000 for each such violation,
 - g) under g), the obligation to settle a contractual penalty of CZK 10,000 for each such violation,
 - h) under h), the obligation to settle a contractual penalty of CZK 10,000 for each such violation,
 - i) under i), the obligation to settle a contractual penalty of CZK 5,000 for each such violation,
 - j) under j), the obligation to settle a contractual penalty of CZK 5,000 for each such violation,
 - k) under k), the obligation to settle a contractual penalty of CZK 10,000 for each commenced month in which the obligation is not fulfilled, but not more than CZK 50,000,
 - l) under l), the obligation to settle a contractual penalty of CZK 10,000 for each commenced month in which the obligation is not fulfilled, but not more than CZK 50,000.
- 4) A violation of any of the obligations by Other Participant results in the application of relevant provisions of this Article against the Main Beneficiary, including the provision on violating the budgetary discipline.
- 5) Withdrawal from the Project Contract shall not affect the application of other relevant provisions of this Article.
- 6) The Main Beneficiary acknowledges that if they consistently violate their obligations, including those imposed on the Beneficiary after the completion of the Project, in particular, submission of implementation reports, or if the Provider considers the violation serious, the Provider is entitled to exclude the Project proposals submitted by the Main Beneficiary (regardless of the fact if they submit them to a Call for Proposals as an applicant or as Other Participant) to a Call of Proposals or the proposals submitted to Public Tenders in Research, Development, and Innovation for up to 3 years from the date of proof of the Main Beneficiary's violation or of their own written acknowledgment

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of such violation. If this violation of obligation is committed by the Other Participant, the exclusion of the Projects shall be applied against this entity in the future and Paragraph 4 shall not apply.

- 7) This Article is without prejudice to the Provider's right for compensation for damages arising from violating any of the obligations. The specified contractual penalties do not include the compensation for damages and are applied in addition to the sanctions according to the legislation or according to the Funding Rules.
- 8) The individual contractual penalties specified in this Article shall be added up, but to the maximum amount equal to the maximum amount of funding for the Project for the entire Project Duration set out in the Project Contract.
- 9) If the Main Beneficiary expects not to be able to fulfil any of the obligations above, they are entitled within the deadline of the fulfilment of the obligation to request a change in accordance with Article 22, or to provide the Provider with a written statement on the inability to fulfil the obligation due to force majeure or suspected violation of the Provider's obligations. The Provider reserves the right to insist on the compliance with this obligation within the specified deadline or to stipulate a deadline for its fulfilment based on the evaluation of the request or statement pursuant to the previous sentence. In the case of consent with the change, the Provider may require the Beneficiary to return the relevant part of the funding (e.g., based on the request for reduction of the expected results).
- 10) The request or statement under the preceding Paragraph submitted after the specified deadline terminates the calculation of the contractual penalties by days, weeks, or months, or terminates the set period for remedy.
- 11) The Parties shall act in the interest of preserving the Project implementation and in order to prevent the premature termination of or withdrawal from the Project Contract, if possible with respect to the Project's nature and if its implementation is purposeful; in particular, they shall seek to terminate the involvement of the Other Participant in the Project if the Other Participant violates or is likely to violate their obligations, or ceases to meet the eligibility criteria under Section 18(2) of Act on the Support of Research and Development. The Provider also reserves the right to negotiate with the Other Participant on the continuation of the Project implementation if the Main Beneficiary violates or is likely to violate their obligations, or ceases to meet the eligibility criteria under Section 18(2) of Act on the Support of Research and Development. This Paragraph is without prejudice to the Main Beneficiary's obligation to bear the consequences of violating the obligations according to this Article.
- 12) If the Main Beneficiary violates any of the obligations above, the Provider shall promptly request the Main Beneficiary to remedy such a situation, if possible with respect to the nature of the violation, and stipulates a reasonable time limit to do so. The Provider may also notify the Beneficiary in writing of

the commencement of a Monitoring Process to ascertain the current state of the matter; in the case of a suspected violation of the budgetary discipline, the Provider will usually carry out an Administrative and Financial Inspection and the request to remedy will be replaced by the appropriate remedy measure. This Paragraph is without prejudice to the obligations to pay the charges for violating the budgetary discipline, contractual penalties and compensations for damages.

Article 6

Agreement on Participation in Project Implementation

- 1) The Agreement on Participation in Project Implementation functions as an instrument of the Main Beneficiary to ensure compliance with the above-mentioned obligations by Other Participants as well.
- 2) The Agreement on Participation in Project Implementation must be in writing and contain, in particular:
 - a) a proposal or manner of the allocation of rights to the results which takes into account the prohibition on indirect State Aid in accordance with the Framework, i.e., the co-ownership shall be established in such a way that considers the ratio of costs of the individual beneficiaries in order to prevent the prohibited indirect State Aid,
 - b) definition, management, and supervision of rights introduced and acquired or created during the Project implementation which are necessary for the Project implementation,
 - c) obligation to comply with the obligations under Article 4 by Other Participants, or to provide all necessary cooperation to comply with the Main Beneficiary's obligations, including the Main Beneficiary's responsibility for violating of the budgetary discipline by Other Participants,
 - d) the Main Beneficiary's obligation to transfer the relevant part of the funding from their own bank account to the bank accounts of Other Participants, including the specified transfer deadline,
 - e) confidentiality obligation of the Parties on all data related to the Project, including its proposal, in order not to jeopardise its results and objectives, and
 - f) commitment to cooperate on the Plan for Exploitation and Dissemination of Results for the Project results and on submitting implementation reports.
- 3) The Agreement on Participation in Project Implementation may be subject to evaluation within a Monitoring Process. In the appropriate remedial measure, the Provider shall determine that the Main Beneficiary is to ensure an amendment to the Agreement on Participation in Project Implementation if it is in contradiction to the Funding Rules or the approved project proposal.

Article 7
Termination

- 1) The Provider is entitled to terminate the Project Contract if:
 - a) the Main Beneficiary or the Other Participant ceased to meet the eligibility criteria according to Section 18(2) of Act on the Support of Research and Development, with the exception of effective conviction for an offence affecting the fulfilment of the Funding Rules,
 - b) if further continuation of the Project becomes ineffective, particularly due to the existence of a parallel implementation of the same or similar project by another beneficiary with better outcomes, even under a different programme or for a different provider, or if the Project Results become outdated due to the existence of other, more applicable, methods and procedures, and if the Main Beneficiary has not been aware of or could not know of such facts,
 - c) it is clear that the procedure of the Project implementation does not lead to the expected results due to events not caused by the Main Beneficiary,
 - d) regulation of drawing of the state budget occurs as a result of budgetary provision or reduction of state funds, or
 - e) the Main Beneficiary's fulfilment of their obligations according to the Project Contract becomes otherwise impossible, and the obligation for fulfilment thus ceases to exist, and such inability is not caused by the violation of the Main Beneficiary's obligations, while the fulfilment of obligations is not considered impossible if it may be done under more difficult conditions or only after the fulfilment deadline.
- 2) The Parties are obliged to mutually settle each other's rights and obligations, in particular, to perform all necessary activities related to the premature termination of the Project (e.g. if appropriate, to submit the final report, perform the final evaluation, submit implementation reports, etc.).
- 3) The termination becomes effective on the date of delivery of the written and justified notice of termination to the Main Beneficiary.

Article 8
Withdrawal

- 1) The Provider may withdraw from the Project Contract if:
 - a) the Main Beneficiary or Other Participant acts (or if they fail to act under an obligation to act) in violation of the State Aid Rules or commits an action resulting in a violation of the State Aid Rules by the Provider,

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- b) the Main Beneficiary provides incomplete, inaccurate, or false details or other facts in the Call for Proposals or the Public Tender in Research, Development, and Innovation while concluding the Project Contract or under their obligation to provide information during the Project implementation or after its completion, with the intention of obtaining funding or another advantage,
 - c) the Main Beneficiary violates any of their obligations under Article 4, while if the Provider requested the Main Beneficiary to take remedial measure, the Provider shall withdraw from the Project Contract only after the expiry of the set deadline for remedies,
 - d) the Main Beneficiary has violated three times any of their obligations that do have set deadlines for their fulfilment, but their fulfilment is conditioned by other facts,
 - e) the Main Beneficiary or Other Participant is effectively convicted of an offence affecting the fulfilment of the Funding Rules,
 - f) further continuation of the Project becomes ineffective, particularly due to the existence of a parallel implementation of the same or similar project by another beneficiary with better outcomes, even under a different programme or for a different provider, or if the Project Results become outdated due to the existence of other, more applicable, methods and procedures, and if the Beneficiary has been aware of or should have been aware of such facts (when in doubt, a similar provision on termination applies),
 - g) it is clear that the procedure of the Project implementation does not lead to the expected results due to events caused by the Main Beneficiary (especially in the case when the Project progress noticeably fails to correspond to the Project Proposal; when in doubt, a similar provision on termination applies), or
 - h) based on a Monitoring Process, the Beneficiary is proven to have committed severe financial irregularities or fraud.
- 2) The Provider is not entitled to withdraw from the Project Contract if the violation of the Main Beneficiary's obligations has been caused solely by the Provider's failure to fulfil their obligations.
 - 3) The withdrawal becomes effective on the date of delivery of written and justified notice of withdrawal to the Main Beneficiary.
 - 4) Upon withdrawal from the Project Contract, the effects set out in Sections 2004 and 2005 of Act No. 89/2012 Coll. become effective.

Article 9
Revenues from Projects

- 1) Project revenues mean any revenues of the Beneficiary incurred in connection with the Project, with the exception of a Public Tender in Research, Development, and Innovation, which they would not incur otherwise and which are primarily unexpected during the Project implementation or after its completion. Therefore, the Project revenues do not include the income from declared results. The Project revenues are considered an advantage which the Beneficiary should dispose of by paying the relevant amount corresponding to such Project revenue to the Provider.
- 2) The Project revenues include, in particular:
 - a) interest on the relevant part of the funding provided for the time it is held in the Beneficiary's account,
 - b) any commercial use or other monetisation of property acquired from the provided funding which can no longer be used for the Project, and
 - c) sanctions issued to suppliers, including those not enforced, when procuring goods and services for the purposes of the Project or other indemnification (e.g. discounts for late delivery).
- 3) The Beneficiary is also obliged to act as a proper business entity when generating revenues, i.e. not preventing their acquisition unless they would do so even if the revenues were unrelated to the Project. Otherwise, it shall be considered a violation of the State Aid Rules. If the relevant Beneficiary's bank does not provide interest, the Beneficiary shall prove this as a regular part of the product offered to other clients and not an ad hoc arrangement between the Beneficiary and the bank.
- 4) The Beneficiary shall include an overview of the Project revenues, or reasons of their non-existence for the period of the Project, in the final report and pay them out to the Provider at the latest by 15 February of the year following the Project completion to the account No. 19-3125001/0710. The calculated amount does not need to strictly correspond to reality if the Beneficiary's efforts to do so would be disproportionately time-consuming and administratively costly in relation to the result obtained. However, in the cases defined in the previous sentence, the Beneficiary shall at least choose such a simple calculation method which approximates reality while taking into account that the main purpose of this provision is the Beneficiary's obligation to dispose of this advantage, as described in Paragraph 1.
- 5) The period for calculating and paying these Project revenues is the duration of the Project and a period of three years after its completion.

- 6) If there are revenues generated from the property acquired from the funding in the part where they should be used for the Project, such revenues are considered unauthorised and result in the Beneficiary's violation of the budgetary discipline.
- 7) The pay-out obligation does not apply to revenues not exceeding CZK 200 in one Project by one Beneficiary in the relevant calendar year.

Part C – Disclosing Information, Confidentiality, Submission of Reports

Article 10

Disclosing Information and Confidentiality

- 1) The Provider shall ensure entering the relevant information into the R&D&I IS in accordance with Chapter VII of Act on the Support of Research and Development and Government Regulation No. 397/2009 Coll. For this purpose, the Provider will request such information from the Beneficiary, as needed, unless they have already received them based on other facts.
- 2) All information related to the Project and the Project Results are considered confidential except for information entered into the R&D&I IS or information which the Provider is obliged to provide to government bodies, judicial bodies, or law enforcement authorities. The Provider also reserves the right to disclose relevant information to other Providers or other governmental bodies for the effective performance of activities related to the provision of funding in research, development, and innovation.
- 3) The Parties shall ensure keeping all relevant information confidential and, if the information has been disclosed according to the Project Contract to third parties, the Parties shall ensure that these third parties keep confidentiality of the information disclosed to them as confidential and use them only for purposes for which they have been disclosed to them.
- 4) The preceding paragraph does not apply to informing the public that the Project, or its results and outputs, have been or were co-financed using the Provider's funding.
- 5) The Provider has the right of free, non-exclusive, and irrevocable disclosure, dissemination, and distribution of science, technical, and other articles from magazines and conferences as well as information from other documents related to the Project published by the Beneficiary, or with the Beneficiary's consent.

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- 6) If the subject of the Project implementation is subject to legal or recognised confidentiality obligation, the Parties shall disclose the information on the performed research, development, and innovation and their results with the exception of the information defined in the applicable law.
- 7) The Parties are exempted from the confidentiality obligation if:
 - a) the content of information provided to them as confidential has been made publicly available based on other activities performed outside the scope of the Project Contract or under other provision not related to the Project implementation, or
 - b) the confidentiality obligation has been revoked by the entity in favour of which the obligation was established.

Article 11 **Submission of Reports**

- 1) During the Project implementation and after its completion, the Main Beneficiary shall submit the following reports by set deadlines:
 - a) an interim report on the Project implementation for each year, by 30 January of the following year,
 - b) the final report on the Project implementation together with the Plan for Exploitation and Dissemination of Results, within 30 calendar days from the date of completion of the Project, while the final report replaces the interim report for the last year or the last stage of the Project, and
 - c) a report on the implementation of the results, always by 31 July of the year following the year in which the implementation was monitored. Implementation is monitored for a period of three years, starting with the year following the year in which the Project was completed.
- 2) If a stage of a Public Tender in Research, Development, and Innovation is supposed to finish within less than 3 months after the Project started or 3 months before the completion of the Project, the obligation to submit the report is only fulfilled by the submission of the next interim or final report. In the case of a Public Tender in Research, Development, and Innovation with a Project Duration shorter than 13 months (inclusive), the Main Beneficiary shall only submit the final report. This paragraph is without prejudice to the obligation to submit the final part of the report within the deadline defined in Paragraph 1.

- 3) A report is deemed to have been submitted if it has been properly submitted through the Provider's information system, and a confirmation of the electronic submission of the report generated by the information system has been delivered, and if it contains all mandatory requisites and other necessary documents are attached to it, especially if the Plan for Exploitation and Dissemination of Results is attached to the interim (if required) or final report.
- 4) The methodical procedure for preparing and submitting reports and other documents by the Beneficiary is set out in the relevant internal regulations of the Provider.

Part D – Asset Ownership, Rights to Results, and Utilisation of Results

Article 12

Asset Ownership

- 1) The owners of assets necessary for the Project implementation are, in the meaning of Section 15 of Act on the Support of Research and Development, the Beneficiary and Other Participants who have acquired the stated assets or created them during the Project implementation.
- 2) If the Beneficiary is an organisational unit of state or ministry, the owner of such assets is the Czech Republic.
- 3) If the Beneficiary is an organisational unit of a regional self-governing entity, the owner of the assets is the given regional self-governing entity.

Article 13

Plan for Exploitation and Dissemination of Results

- 1) The Plan for Exploitation and Dissemination of Results, except for the projects under a Public Tender in Research, Development, and Innovation, shall be submitted by the Beneficiary together with the final report, or together with an interim report, if the result has already been achieved during the Project implementation. The Plan for Exploitation and Dissemination of Results shall be submitted for individual results or for certain groups of results that are logically related and whose implementation will take place together. If all Project Results meet this condition, a single Plan for Exploitation and Dissemination of Results can be submitted for all Project Results. The Plan for Exploitation and Dissemination of Results shall particularly include even such results which the Beneficiary does not intend to pursue further nor commercially nor for research purposes and other compulsory requisites stated in the Provider's form for Plan for Exploitation and Dissemination of Results.

- 2) The Provider reserves the right to monitor the fulfilment of the implementation of the results for the entire duration of the validity of the Plan for Exploitation and Dissemination of Results, or for minimum of 3 years after achieving the result if the result was achieved during the Project implementation, however, for maximum of 3 years after the Project completion, in particular, using forms designated by the Provider for this purpose.

Article 14
Agreement on Utilisation of Results

- 1) The Agreement on Utilisation of Results may be concluded either between the Main Beneficiary and the Other Participant if there is no other user, or, if another user exists, such user shall also be party to such agreement, or, if the rights to the results are already governed otherwise, the agreement may be concluded only between the result owner and its user. If the owner of the result will be the only one to utilise the result, the Agreement on Utilisation of Results shall be replaced by a sworn statement of the utilisation of the result. If there are several owners of the results, a sworn statement of the utilisation of the results signed by one of the owners will suffice.
- 2) The Agreement on Utilisation of Results shall include in particular:
 - a) The Project title and identification details,
 - b) definition of the results and their comparison to the Project objectives,
 - c) definition of ownership rights or rights of use to the results in accordance with Section 16 of Act on the Support of Research and Development,
 - d) method of use of the results and the period in which the results will be used, no longer than 5 years from the Project completion,
 - e) the extent of the degree of information confidentiality and manner of handling such information under specific legislation,
 - f) sanctions for violating the Agreement on Utilisation of Results, and
 - g) date of the Agreement on Utilisation of Results becoming and ceasing to be effective.
- 3) The Agreement on Utilisation of Outcomes shall be concluded in accordance with the conditions stated in the Project Contract.
- 4) The Provider reserves the right to review the wording of the Agreement on Utilisation of Results and its completeness.

Article 15***Rights to Project Results and Their Protection***

- 1) All rights to the results of a Project which is not a Public Tender in Research, Development, and Innovation belong to the Main Beneficiary and Other Participants. Each of these entities owns a relevant part of the results according to the Agreement on Participation in Project Implementation, provided that such division takes into account the prohibition of indirect State Aid according to the Framework (cf. e.g. Chapter 2.2 of the Framework).
- 2) If the result is an outcome of a Public Tender in Research, Development, and Innovation that cannot be protected under the laws governing the protection of copyright, inventive, or similar creative activity, the owner of the result is the Provider and its publication and utilisation are possible only with the Provider's prior written consent.
- 3) If the result is an outcome of a Public Tender in Research, Development, and Innovation that can be protected under the laws governing the protection of copyright, inventive, or similar creative activity and unless the Provider stipulates otherwise, the Main Beneficiary shall exercise the right to the results, ensure their legal protection, and subsequently transfer the ownership right to the Provider. The Main Beneficiary is entitled to reimbursement of demonstrable associated costs unless they are part of the Recognised Costs of the Project. Publication of results prior to the submission of an application for industrial legal protection shall require the Provider's written consent.
- 4) The Main Beneficiary guarantees the legal integrity of the project, i.e., guarantees that the Project Results do not interfere with rights to Subjects of Intellectual Property and other third parties' rights for any utilisation of the Project Results in the Czech Republic as well as abroad. The guarantees also apply to Other Participants.
- 5) The Main Beneficiary may disclose the information on Project Results to which it has property rights, unless their disclosure affects their protection if the Main Beneficiary informs the Other Participant of its intention to publish them well in advance and follows the mandatory Publicity Rules set out in Article 4(2c).

Article 16

Utilisation and Provision of Results

- 1) The details of the utilisation of the Project Results shall be outlined in the Plan for Exploitation and Dissemination of Results and the Agreement on Utilisation of Results.
- 2) While providing the Project Results, the Beneficiary shall follow the provisions of Section 16 of Act on the Support of Research and Development.
- 3) The Beneficiary is entitled to provide results that are not the outcome of a Public Tender in Research, Development, and Innovation to third parties in such a way as to avoid violation of State Aid Rules and to avoid indirect State Aid.

Part E – Costs, Evaluations, and Inspections

Article 17

Recognised Project Costs

- 1) All funding provided by the Provider as part of the support for the Project in research and development have the nature of targeted funding.
- 2) Recognised Costs shall be:
 - a) incurred in accordance with the objectives of the Programme and directly related to the Project,
 - b) Eligible Costs,
 - c) demonstrably paid by the Beneficiary (December costs must be paid by the date of submission of the interim report, but no later than in January of the following year),
 - d) accompanied by documentation of evidence (it must be clear from the documentation that all conditions for eligibility according to Articles 17 and 18 have been met),
 - e) reasonable (corresponding to the prices usual to the place and time), and
 - f) spent in accordance with the principles of economic efficiency (cost/expense minimisation while following the Project objectives), usefulness (direct link to the Project and integral for the Project implementation), and effectiveness (maximising the ratio of Project outputs and inputs).
- 3) The transaction provided between the Main Beneficiary and Other Participants or among Other Participants is not considered to be a Recognised Cost.

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- 4) The costs with taxable event between the day on which the effects of a merger, division, or transfer of assets to the shareholder occur and the day of the approval of such change are not considered to be Recognised Costs, unless the Beneficiary requested in due time a consent on the transfer of rights and obligations for such change according to Section 14a of Budgetary Regulations, and the approval is delayed solely for reasons on the part of the Provider.
- 5) If the Project Contract becomes effective on a date later than the specified date of commencement of the Project in the Binding Project Parameters, the costs of the Project incurred between such dates shall be considered as costs incurred after the Project Contract becomes effective.
- 6) Each cost is considered as if funded from the provided funding and the participant's own resources proportionally to the intensity of the provided funding to the relevant Participant for the entire Project Duration. The fact whether a specific cost was financed from the funding provided, from the participant's own resources, or proportionally, is not essential.
- 7) The Beneficiary is obliged to keep separate accounting records on all costs in accordance with Act 563/1991 Coll. and, in case of tax records, separate records of Project expenses.
- 8) If the Beneficiary is a VAT taxpayer and is entitled to deduct tax according to Act 235/2004 Coll. on Value-Added Tax, such VAT may not be considered as a Recognised Cost.
- 9) If the amount of the Recognised Costs is reduced, the maximum amount of the funding shall be reduced proportionately, maintaining the set intensity of the funding.
- 10) If the Beneficiary acquires tangible or intangible assets or services for the purposes of the Project implementation and simultaneously the exception pursuant to Section 8(4) of Act on the Support of Research and Development cannot be applied, the Beneficiary is obliged to act according to the relevant provisions of Act on Public Procurement (specified in the Project proposal).

Article 18

Categories of Eligible Costs and Conditions for Their Recognition

- 1) All individual types of costs not listed in this Article are considered ineligible and therefore, cannot be recognised.
- 2) Categories of Eligible Costs are:
 - a) personnel costs,
 - b) subcontract costs,

- c) other direct costs, and
- d) indirect costs.

- 3) **Personnel costs** include salary costs, increased by other costs that are compulsorily paid by the employer for the employee, i.e., in particular compulsory insurance, part of the costs of social insurance, and part of the costs of general health insurance. They also include employer's costs arising under the applicable internal regulations (e.g. cultural and social needs fund, contribution to pension insurance and/or life insurance, social fund, etc.). Remuneration pursuant to Sections 134 and 134a of Act No. 262/2006 Coll., the Labour Code (hereinafter referred to as "Labour Code") or similar provisions can only be paid to the workers that are employees according to the Labour Code, and participate in the Project (i.e. demonstrably work on the Project at least in a part-time manner). These remuneration costs are eligible only if they are properly justified and only up to a **maximum amount of two month salaries for the work on the Project according to the valid wage/salary assessment or wage contract, taking into account the amount of work on the Project and the number of months worked on the Project in a given calendar year.**

Wages, salaries, and remunerations from work performance agreements or contracts for work must be in accordance with the approved wage/salary assessment, work performance agreement, contract for work, or other internal regulations of the Beneficiary.

In the case of compensations, the Recognised Costs include all compensations according to the Labour Code (for employees with fixed full-time employment participating in the Project).

Self-employed persons as individual Beneficiaries are entitled to a remuneration for their work on the Project if the remuneration corresponds to the hourly pay rate of employees with similar qualification and experience (customary at the place and time).

Personnel costs also include scholarships listed in Section 91(2c) of Act No. 111/1998 Coll. on universities and on the amendment and addition of other laws (the Act on Universities), or their proportional part, if it is clear from the decision on awarding the scholarship that it is awarded for research activities within the Project.

- 4) **Subcontract costs** represent the costs of services of a research nature. The subcontractors must not be members of the research team or persons connected (in the meaning of Section 23(7) of the Act No. 586/1992 Coll., on income tax – hereinafter referred to as "Act on Income Tax") to the Beneficiary. The subcontracting costs are limited to 20% of the total Recognised Costs of all the participants of the Project for its entire duration; this does not apply in case of a Public Tender in Research, Development, and Innovation where these costs may be limited in the tender specifications by the Provider in accordance with the Act on Public Procurement.

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5) **Other direct costs** include:

- a) the costs of protection of intellectual property rights declared as a Project Result (in particular the related fees, research, and patent attorney costs) and the costs for the protection of the already incurred intellectual property rights necessary for the Project implementation,
- b) other operating costs incurred in the direct connection to the Project implementation such as materials, services, and small tangible and intangible assets,
- c) the costs of repair and maintenance of tangible and intangible assets used in the Project implementation in the amount corresponding to the period length and the proportion of the use of the assets for the Project, if the degree of asset utilisation in the Project is demonstrable and the costs of repairs are not classified as indirect costs according to the internal regulations of the Beneficiary,
- d) a part of the annual depreciation of the fixed tangible and intangible assets in the amount corresponding to the period length and the proportion of actual use of these assets for the Project implementation that were not acquired with the use of any State Aid, if the depreciation of tangible assets is not included in indirect costs. The proportion of depreciation for the Project can be calculated either from the accounting depreciation or the depreciation under the Act on Income Tax while the accounting depreciation must not be higher than the depreciation according to the Act on Income Tax,
- e) travel expenses incurred in the direct connection to the Project if the business trip is made by an employee working on the Project (costs for business trips, conference fees, and travel allowances according to the Labour Code), while the trip must have a demonstrable benefit to the Project.

6) **Indirect costs** are costs incurred in connection with the Project implementation, or their part determined according to one of the methods listed below. Indirect costs most often include rent costs, costs of support staff and infrastructure, energy and services, depreciation, and property repairs if they are not already included in other categories. Indirect costs can be reported:

- a) using the **“full cost”** method, when the beneficiary already has an existing system for distributing indirect costs to individual centres, departments, projects, etc., and this system is described in an internal regulation; the indirect costs reported in this way must be supported by an internal regulation, calculation, outputs from accounting, appropriate accounting documents, and the amount of indirect costs is not limited, or

- b) using a reporting method of indirect costs on the basis of fixed rate, i.e., the **“flat rate”** method in the amount of up to 25% of the sum of the actual reported personnel costs and other direct costs of the Beneficiary in the year. Therefore, the indirect costs of the Project are not calculated from the costs of subcontracts, when the indirect costs reported in this way do not have to be supported by appropriate accounting documents, but the total amount of indirect costs of the Beneficiary must be documented (it must be higher than the amount of indirect costs reported in the Project).

Article 19

Transfer and Change of Recognised Project Costs and Funding

- 1) The total amount of Recognised Costs and the related amount of the provided funding for the entirety of the Project Duration may be changed during the Project implementation by maximum of 50% of the total amount of Recognised Costs or of the amount of funding from State Aid specified in the Project Contract as decided by the Provider during the evaluation of the Call for Proposals in research, development, and innovation.
- 2) [The SME-07 Project Change Management Directive](#) determines the Parties' course of action in the event of the Main Beneficiary's request for amendment regarding a transfer or change in the Recognised Costs of the Project and the amount of funding.

Article 20

Monitoring Process

- 1) As part of the monitoring of the Project in the meaning of Section 13 of Act on the Support of Research and Development, the Provider carries out the following types of inspections:
 - a) Administrative and Financial Inspection on site,
 - b) monitoring of the fulfilment of the Project objectives,
 - c) interim evaluation of the Project implementation through reporting,
 - d) final Project evaluation.
- 2) The Provider is entitled to perform an Administrative and Financial Inspection at any time in accordance with Act on Financial Control, observing Act No. 255/2012 Coll. on Inspection (Inspection Code), and to the minimum extent stipulated in Section 13 of Act on the Support of Research and Development. The Provider follows these regulations as well as the [SME-22 Administrative and Financial Inspection Directive](#).

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- 3) The Provider regularly evaluates the fulfilment of the Project objectives in the form of an interim and final report evaluation or in the form of a monitoring inspection at least once during the implementation of two-year or longer Projects. The monitoring inspection is initiated by a Notice of Monitoring Inspection, which also determines the form of its execution. The monitoring inspection can be carried out on site (i.e., in the premises of the Beneficiary, in which research and development activities are carried out), or at the Provider's offices.
- 4) Interim evaluations of the Project implementation in the form of submitting reports are regulated by Article 11.
- 5) The Provider carries out a final Project evaluation in order to assess the achievement of the Project objectives, the achieved results, and their relationship to the Project objectives, in the form of final Project evaluation after the completion of the Project. The final Project evaluations are initiated by a Notice of the Conduct of the Final Project Evaluation, in which the form of their implementation is also determined. The final Project evaluation can be carried out on site (i.e., in the premises of the Beneficiary, in which research and development activities are carried out), or at the offices of the Provider with the participation of representatives of the Beneficiary or collectively for several Projects.
- 6) Details on the Monitoring processes are regulated by the internal regulations of the Provider.
- 7) The Main Beneficiary is obliged to allow the Provider and persons authorised by the Provider to perform a comprehensive inspection according to this Article and allow access to its accounting records related directly or indirectly to the Project in accordance with the provisions of Section 8(1) of Act on the Support of Research and Development, any time during the Project implementation or within 2 years after the expiration of the Project Contract, and provide the necessary cooperation therewith. This provision is without prejudice to the rights of inspection bodies and financial bodies of the Czech government.
- 8) Upon the Provider's request, the Main Beneficiary shall submit the documents listed above also on behalf of the Other Participant from which they have obtained the documents well in advance.
- 9) In accordance with this Article, the Provider or a person authorized by the Provider is entitled to demand from the Beneficiary and Other Participant the provision of data and documents related to the subject of the inspection or to the activities of the Main Beneficiary or Other Participant, and in justified cases, the Provider or a person authorized by the Provider may also require the provision of original documents, while according to the aforementioned legislation, they may require additional cooperation necessary for the performance of the inspection, e.g., also the provision of documents containing personal data. The provision of personal data for the purpose of inspection is therefore possible without the consent of the data subject, in accordance with the legislation specified in Article

20(2) of the General Terms and Conditions in connection with Article 6(1e) of Regulation of the European Parliament and Council (EU) 2016/679 of 27th April 2016 on the protection of natural persons in connection with the processing of personal data and on the free movement of such data and on the repeal of Directive 95/46/EC (General Regulation on the Protection of Personal Data) (GDPR) and the provisions of Section 5 of Act No. 110/2019 Coll. on the processing of personal data.

PART F – FINAL PROVISIONS

Article 21

Disputes of Parties

- 1) The Parties' disputes arising under the Project Contract and in connection herewith shall be arbitrated by the relevant body or court.

Article 22

Amendments to the Project Contract

- 1) The Project Contract, including its Annexes, may be supplemented, modified and amended at the request of the Main Beneficiary only by means of written, consecutively numbered amendments to the Project Contract, signed by the contracting Parties, if the facts are directly stated in the Project Contract.
- 2) The Binding Project Parameters can be amended based on a request of the Main Beneficiary and a notification of the Provider's consent. The notification of the Provider's consent results in generating a new version of the Binding Project Parameters in the information system.
- 3) The request for change is made through the Change request form in the Provider's information system and by sending a confirmation of submission via the data box. If there are any changes in the Project proposal that do not affect the Binding Project Parameters, the Beneficiary shall inform the Provider about them only in the following interim or final report and does not submit a notification or request for change. Information about such a change shall also include the time when it occurred and its justification.
- 4) The preceding paragraph also applies to cases of such results which are not specified as declared in the Binding Project Parameters but nevertheless occur during the Project implementation in order to achieve these declared results.

- 5) The detailed process of request approval is governed by the internal regulations of the Provider.

Article 23
Expiration of the Project Contract

- 1) The Project Contract expires in 3 years of the date of the Project completion unless the Parties agree to extend it.
- 2) The Project Contract also expires by termination or withdrawal.
- 3) The term of validity of the Project Contract includes the Project Duration and the subsequent period necessary for the evaluation of the Project Results, including the settlement of the provided funding according to the Budgetary Regulations. However, the term of validity of the Project Contract does not include the Project Duration prior to the signature of both Parties. This paragraph is without prejudice to Article 17(5).
- 4) The obligation according to Article 4(2e) applies for a period of 3 years from the achievement of the results even after the expiration of the Project Contract.
- 5) The obligation according to Article 4(2g) applies for a period of 2 years from the expiration of the Project Contract.

The General Terms and Conditions v7 is published in Czech and English. In case of divergence between the language versions, the Czech version shall prevail.