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**PATHWAYS2RESILIENCE (P2R)**

**FINANCIAL SUPPORT/SUBGRANT AGREEMENT**

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Climate-KIC Holding B.V., incorporated under the laws of the Netherlands and whose registered office is Plantage Middenlaan 45, 1018 DC, Amsterdam, Netherlands, and acting in representation of Climate KIC (henceforth "**the KIC Legal Entity**"),

and

Statutarni Mesto Prerov, (Supplier ID SE33880), under jurisdiction in the Czech Republic, and located at Bratrská 709/34 Přerov I-Město, 750 02 Přerov 2, hereinafter referred to as "**the Subgrantee**" or "**Primary Subgrantee**" acting on behalf of the consortium of partners listed in Annex 1,

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

Enter into a Financial Support Subgrant Agreement ("**the Agreement**") in accordance with the conditions set out in Grant Agreement 101093942 between the KIC Legal Entity and the European Climate, Infrastructure and Environment Executive Agency ("**CINEA**") (the "**GA**").

The Agreement is composed of:

- Terms and Conditions
- Annex 1 Project and Budget Description
- Annex 2 Reporting and Payment Conditions and Schedule
- Annex 3 Eligibility of Costs
- Annex 4 General Provisions of the Grant Agreement

## Terms and Conditions

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## DEFINITIONS

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

**“Background Intellectual Property”** shall mean any tangible or intangible input, from data to know-how, information, or rights, that exists before the Agreement is signed or that is needed to implement the Project or to exploit its results (e.g., database rights, patents, prototypes, cell lines, etc). For registered intellectual property rights, it suffices that the application was filed before the Agreement is signed.

**“Co-funding”** is the Subgrantee’s contribution to a Project.

**“Defaulting Party”** means any Party in breach of its obligation under this Agreement.

**“Effective Date”** shall mean the Project start date as indicated in Annex 1.

**“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 despite both Parties exercising all due diligence.

The following events cannot be invoked as force majeure:

- any default of a service, defect in equipment or material, or delays in making them available, unless they stem directly from a relevant case of force majeure;
- labour disputes or strikes; or
- financial difficulties.

**“Funder”** shall mean the European Union institution, agency, or body with whom the KIC Legal Entity has concluded a Grant Agreement.

**“Intellectual Property”** shall be understood in the meaning defined in Article 2 of the Convention establishing the World Intellectual Property Organisation<sup>1</sup>.

**“Project”** shall refer to the action as set out in Annex 1.

**“Results”** shall mean any tangible or intangible effect of the Project, such as data, know-how or information, whatever its form or nature, whether it can be protected, as well as any rights attached to it, including intellectual property rights.

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<sup>1</sup> [WIPO Lex](#)

## SUBJECT OF THE AGREEMENT

This Agreement sets out the rights and obligations and terms and conditions applicable to the financial support awarded for the implementation of the Project as set out in Annex 1.

By signing the Agreement, the Subgrantee accepts the financial support and agrees to implement the Project, under their own responsibility and in accordance with the Agreement.

## EXECUTION DATE, EFFECTIVE DATE, DURATION AND TERMINATION

### 1.1 Execution date

The execution date is the date when the last of the Parties signs the Agreement.

### 1.2 Effective date

The effective date is the Project start date as indicated in Annex 1.

### 1.3 Duration

The Agreement shall be in force from the Effective date and until the full completion of the Project or the expiration of the Project upon the end date, as indicated in Annex 1, whichever occurs first.

### 1.4 Termination

#### 1.4.1 *Breach of Agreement by the KIC Legal Entity (Termination by the Subgrantee)*

1.4.1.1 In the event the KIC Legal Entity is in breach of its obligations under this Agreement, the Subgrantee may give formal notice to the KIC Legal Entity 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 Subgrantee may decide to terminate the Agreement upon notice.

1.4.1.2 The Subgrantee may terminate this Agreement with immediate effect through written notice to the KIC Legal Entity, if the latter is subject to an event of Force Majeure, preventing it from correct performance of its obligations hereunder and such circumstances have lasted, or can reasonably be expected to last more than 12 weeks.

#### 1.4.2 *Breach by Subgrantee (Termination by the KIC Legal Entity)*

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

1.4.2.2 If such breach is substantial (i.e. improper implementation of the Project, non-compliance with the call conditions, submission of false information or incomplete information, failure to provide required information, breach of ethics or security rules) and is not remedied

within that period or, is not capable of remedy, the KIC Legal Entity may decide to declare the Subgrantee to be a defaulting Party and to decide on the consequences thereof which may include termination of this Agreement upon written notice as well as the measures described in ARTICLE 1.14 Recovery of funds by the KIC Legal Entity, FINANCIAL PROVISIONS, and CHECKS, REVIEWS AND AUDITS.

- 1.4.2.3 The KIC Legal Entity may terminate this Agreement with immediate effect through written notice to the Subgrantee, if the Subgrantee is subject to an event of Force Majeure, which prevents the Subgrantee from correct performance of its obligations hereunder and such circumstances have lasted or can reasonably be expected to last more than 120 calendar days.
- 1.4.2.4 The KIC Legal Entity may at any time terminate this Agreement immediately upon written notice if one of the following events occurs:
- a. a change to the legal, financial, technical, organisational or ownership situation of the Subgrantee is likely to substantially affect or delay the implementation of the Project it is involved in or calls into question the decision to select the Project (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);
  - b. the Subgrantee 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.);
  - c. the Subgrantee is in breach of social security or tax obligations;
  - d. the Subgrantee (or person having powers of representation, decision-making or control, or person essential for the implementation of the projects) has been found guilty of grave professional misconduct;
  - e. the Subgrantee (or person having powers of representation, decision-making or control, or person essential for the implementation of the projects) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism related crimes (including terrorism financing), child labour or human trafficking;
  - f. the Subgrantee (or person having powers of representation, decision-making or control, or person essential for the implementation of the projects) was established 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;
  - g. the Subgrantee (or person having powers of representation, decision-making or control, or person essential for the implementation of the Project has committed substantial errors, irregularities, or fraud.
- 1.4.2.5 The KIC Legal Entity may terminate this Agreement if the Subgrantee is in breach of any of its material obligations under any binding regulation or agreement with the former, or its material obligations pertaining to the membership of the KIC Legal Entity, always provided that such breach is duly notified to the Subgrantee, has not been remedied 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 Legal Entity may also terminate any other agreement it may have with the defaulting Subgrantee.
- 1.4.2.6 The KIC Legal Entity may terminate this Agreement at the end of each financial year by giving three (3) months written notice of the termination through registered letter to the

Subgrantee. For clarification reasons, such termination must coincide with the termination of the Subgrantee as a member in the KIC Legal Entity, if applicable.

1.4.2.7 If the Grant Agreement is terminated by the Funder or the KIC Legal Entity, the latter must have right to terminate this Agreement upon notice to the Subgrantee, subject to the provisions surviving the expiration of the Agreement.

#### *1.4.3 Survival of rights and obligations*

After termination, the Subgrantee's obligations, in particular those contained in CONFIDENTIALITY, INTELLECTUAL PROPERTY RIGHTS, LIABILITY, COMMUNICATION, DISSEMINATION AND VISIBILITY, 1.8 Project Monitoring and reporting, 0, and 1.37 Applicable law of this Agreement, as well as Articles 26 (Impact evaluation), 27 (Rejections), 28 (Grant reduction) and 42 (Assignment of claims) of the Grant Agreement, 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.

#### *1.4.4 Termination report*

The Subgrantee must within 60 days from when termination takes effect submit a termination report, for the open reporting period under the Project until termination, containing an overview of the progress of work, the financial statement, the explanation on the use of resources, and if applicable, the certificate on the financial statement to the KIC Legal Entity.

The KIC Legal Entity will calculate the amount that might be due to the Subgrantee on the basis of the report submitted and taking into account the costs incurred and contributions implemented before the end of work date foreseen in Annex 1. Costs relating to contracts due for execution only after the end of work are not eligible.

If the KIC Legal Entity 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).

## IMPLEMENTATION OF THE PROJECT

### **1.5 General principles**

The Subgrantee is fully responsible towards the KIC Legal Entity for implementing its tasks in the Project.

The Subgrantee(s) must:

- implement this Agreement to the best of its abilities, in good faith, respecting the principles of transparency, non-discrimination and sound financial management and in accordance with all the obligations herein contained.
- have the appropriate resources to implement the Project under its own responsibility. If the Subgrantee relies on its affiliated entities or other third parties, the Subgrantee retains sole responsibility towards the Funder, the KIC Legal Entity and the other Subgrantees involved in the

Project. If the KIC Legal Entity requires joint and several liability of affiliated entities they must sign a *Declaration on joint and several liability of affiliated entities* and may be held liable in case of enforced recoveries against their Subgrantees.

- 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 Subgrantee is eligible.
- promptly notify to the KIC Legal Entity any significant information, fact, problem or delay likely to affect its participation in the Project.
- promptly provide all information reasonably required by the KIC Legal Entity for the implementation of the Projects (including mid-term reviews, if any) and the reporting of the costs.

### 1.5.1 Consortium

If the Project is to be carried out by a consortium of partner entities, all Subgrantees will be considered fully responsible towards the KIC Legal Entity for the implementation of the Project.

The Primary Subgrantee will act as the main point of contact between the other members of the consortium and the KIC Legal Entity for all communications related to the Project. The consortium specific responsibilities of the Primary Recipient include:

- a. Acting as coordinator for the consortium;
- b. Submitting a single application, including all required attachments;
- c. The signature of this Agreement;
- d. Leading the consortium agreement drafting and signature process;
- e. Distributing payments to the consortium partners; and
- f. Managing the delivery and compliance to the subgrant ensuring high quality and on time reporting, as well as compliance with the key provisions imposed by this agreement to the consortium partners.

The Subgrantee must conclude an internal arrangement (e.g. a Consortium Agreement) regarding their operation and coordination, to ensure that the Project is implemented properly. The KIC legal entity reserves the right to review the wording of the internal arrangement to ensure consistency with the obligations of the Project.

## 1.6 Proper implementation of the Project

The Subgrantee must use the financial support to implement the Project as described in Annex 1 in compliance with the provisions of the Agreement, the Call conditions, and all legal obligations under applicable European Union (EU), international, and national law.

The Project must be properly implemented pursuant to the principles contained in 1.5 General principles and in a timely manner in line with the stipulations of Annexes 1 and 2.

The Subgrantee must prevent delays or reduce them as much as possible. Important delays of more than two months must be immediately disclosed to the KIC Legal Entity in line with Article 1.34 Notices and other communication.

## 1.7 Involvement of third parties (including subcontracting and affiliated entities)

The Subgrantee must ensure that its contractual obligations under Articles 1.6 Proper implementation of the Project, CONFLICTS OF INTEREST, CONFIDENTIALITY, ETHICS AND VALUES, COMMUNICATION, DISSEMINATION AND VISIBILITY, INFORMATION OBLIGATIONS –

RECORDKEEPING, and CHECKS, REVIEWS AND AUDITS of this Agreement and any other specific rules for carrying out Project as described in the Agreement, also apply to the involved subcontractors, affiliated entities and any other third parties.

### **1.8 Project Monitoring and reporting**

The Subgrantee abide by the following standards for the monitoring of the Project:

- a. systematic monitoring and review of the Project(s) (e.g. staff management, procurement, financial management, quality control, risk management, distribution and provision of support to final Subgrantees, outputs, activity, financial reports etc.), in the format and timing specified by the KIC Legal Entity;
- b. effective and reliable monitoring and reporting of the Project(s) (including information on indicators, EIT Impact Framework, legality and regularity of the expenditure claimed, contribution to the financial sustainability of the KIC, where applicable), in the format and timing specified by the KIC Legal Entity;
- c. provisions for the re-orienting or stoppage of underperforming Project(s) in the manner established by the KIC Legal Entity;
- d. a mechanism to evaluate high potential Project outcomes and fast track them towards further investment and rapid development;
- e. ensure the legality and regularity of the expenditure claimed.

The Subgrantee must:

- a. comply with any reporting policy and instructions issued by the KIC Legal Entity and contained in Annex 2, in accordance with the timing and conditions it sets out as may be amended/modified by the KIC Legal Entity;
- b. comply with any and all other monitoring and reporting requirements, including any future requirements by the KIC Legal Entity and/or as may be established by the KIC Legal Entity, as the case may be pursuant to Funder requirements;
- c. proactively report to the KIC Legal Entity any developments which may seriously affect the Project(s) including the achievement of the overall Project target, any milestone thereunder and/or the purpose of the financial support immediately upon their respective occurrence.

### **1.9 Consequences of improper implementation of the Project**

In the event of an improper implementation of the Project by the Subgrantee in accordance with this Agreement, the KIC Legal Entity, at its own discretion and following the applicable Funder rules and guidelines, may:

- a. re-orient the scope of the Project,
- b. reduce the amount of grant and/or
- c. stop a Project.

The KIC Legal Entity shall also have the right to suspend any payment towards the defaulting Subgrantee and to request the defaulting Subgrantee to return the funds received (recovery or withdrawal of funds) in accordance with Article 1.13 Suspension of payments. and 1.14 Recovery of funds by the KIC Legal Entity of this Agreement.

## FINANCIAL PROVISIONS

### **1.10 Financial support**

The maximum amount of financial support for the implementation of the Project described in Annex 1 is EUR 210,000. The project budget, including per any Consortium partner budget, is detailed in Annex 1.

### **1.11 Payments**

The number of payments, their frequency and conditioning on implementation progress and reporting are described in Annex 2.

Payments must be transferred to the bank account indicated by the Subgrantee in the reporting documentation and as required in Annex 2.

### **1.12 Eligibility of costs**

To be eligible for financial support, costs must meet the eligibility conditions set out in Annex 3.

### **1.13 Suspension of payments**

The KIC Legal Entity may, at any moment, suspend the payments, in whole or in part, if:

- a. the required reports (as per Annex 2) have not been submitted, is not complete, or additional information is needed;
- b. there are doubts about the amount to be paid (e.g., an ongoing extension procedure, queries about eligibility, need for a financial support reduction, etc.) and additional checks, reviews, audits, or investigations are necessary;
- c. The Subgrantee (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the financial support) has committed or is suspected of having committed:
  - i. substantial errors, irregularities, or fraud or;
  - ii. serious breach of obligations under this Agreement or during its award (including improper implementation of the Project, non-compliance with the selection conditions, submission of false information, failure to provide required information, or breach of ethics rules (if applicable)).

### **1.14 Recovery of funds by the KIC Legal Entity**

The KIC Legal Entity must proceed with the recovery of the funds transferred to the Subgrantee within 30 calendar days upon notification, in case:

- a. the Subgrantee did not use the financial support for the purposes indicated in Annex 1;
- b. the Subgrantee has not complied with its obligations under this Agreement, including the cost eligibility rules referred to in Annex 3 (i.e. breach) and milestones, and;
- c. the Project has lost its relevance for scientific or technological reasons, and the KIC Legal Entity, in exercise of its reasonable discretion and after consultation with the Subgrantee and, if appropriate, with independent external experts, decides to terminate the action.

The right of the KIC Legal Entity to recover the affected funds is without prejudice to its right to claim compensation for damages caused by the Subgrantee's breach.

## LIABILITY

### 1.15 Respect to mutual obligations

Either Party must comply with its obligations towards the other Party under this Agreement and its Annexes.

### 1.16 Liability of the KIC Legal Entity

The KIC Legal Entity cannot be held liable for any damage caused to the Subgrantee or third parties as a consequence of the implementation of the Agreement, including for gross negligence.

The KIC Legal Entity cannot be held liable for any damage caused by the Subgrantee or other participants involved in the Project as a consequence of the implementation of the Agreement.

### 1.17 Liability of the Subgrantee

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

The Subgrantee is responsible for the technical implementation of the Project ("technical liability").

The Subgrantee must compensate the KIC Legal Entity for any damage sustained as a result of the implementation of the Project or because the Project was not implemented in full compliance with the Agreement, provided that it was caused by gross negligence or a wilful act. The liability does not extend to indirect or consequential losses or similar damage (such as loss of profit, loss of revenue, or loss of contracts), provided such damage was not caused by a wilful act or by a breach of confidentiality.

### 1.18 Joint liability of Subgrantees (Reserved).

## INTELLECTUAL PROPERTY RIGHTS

### 1.19 General considerations

The Subgrantee must abide by the rules governing intellectual property contained in the General provisions of the Grant Agreement. The relevant rules are included into this Agreement via Annex 4.

Further to the specific rules governing intellectual property contained in the referred General provisions, the KIC Legal Entity makes no claim in respect of intellectual property developed during the Project implementation.

### 1.20 Background and access rights to background

The Parties must give each other access to the background information identified as needed for implementing the Project. If the background is subject to rights of a third party, the Party concerned must ensure that it is able to comply with its obligations under the Agreement.

## 7.2 Ownership of results

Results are owned by the Subgrantee, where there is a consortium, results are owned by the Subgrantee that generates them.

### **1.21 Joint ownership of results**

Results are owned jointly by the Parties if:

- a. they have jointly generated them; and
- b. it is not possible to:
  - i. establish the respective contribution of each Party, or
  - ii. separate them for the purpose of applying for, obtaining, or maintaining their protection.

The joint owners may agree, in writing, to apply another regime than joint ownership.

### **1.22 Exploitation of results by third parties**

Granting result exploitation rights to third parties must be agreed upon in writing.

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

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

### **1.23 Complementary consortium agreements**

The above-referred provisions and policies on intellectual property rights might be supplemented by specific consortium agreements between consortium partners regulating intellectual property rights in the context of the Project or by other ad hoc agreements. Such agreements will always abide by the principles and rules contained in the General provisions of the Grant Agreement with regard to intellectual property rights.

#### **CONFLICTS OF INTEREST**

The Subgrantee must 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').

The Subgrantee must formally notify the KIC Legal Entity without delay of any situation constituting or likely to lead to a conflict of interest and immediately take all the necessary steps to rectify this situation as per Article 1.34 Notices and other communication.

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

#### **CONFIDENTIALITY**

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

Unless otherwise agreed between the Parties, they may use sensitive information only to implement the Agreement.

The Parties may disclose sensitive information to their personnel or other participants in the Project only if they:

- a. need to know it to implement the Agreement; and
- b. are bound by an obligation of confidentiality.

The KIC Legal Entity may disclose sensitive information to third parties:

- a. to safeguard the EU financial interests; and
- b. if the recipients 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 obligations;
- c. the disclosure of the sensitive information is required by EU, international, or national law;
- d. a time period of five years after the disclosure of the Sensitive Information has passed, unless otherwise agreed upon between the Parties; or
- 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.

The receiving Party or Parties undertakes to return to the disclosing Party, or to destroy, on request all sensitive information that has been disclosed including all copies thereof and to delete all information stored in a machine-readable form to the extent practically possible. The receiving Party 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 to comply with applicable laws or regulations or with a court or administrative order, it must, to the extent it is lawfully able to do so, prior to any such disclosure the Parties must:

- a. notify the other Party; and
- b. comply with the disclosing Party's reasonable instructions to protect the confidentiality of the information.

## DATA PROTECTION

The Subgrantee shall process personal data under this Agreement in compliance with the applicable EU, international and national law on data protection (in particular, Regulation 2016/679<sup>2</sup>).

They must ensure personal data is:

- a. Processed lawfully, fairly and in a transparent manner in relation to the data subjects;

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<sup>2</sup> 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 ('GDPR') (OJ L 119, 4.5.2016, p. 1).

- b. Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
- c. Adequate, relevant, and limited to what is necessary in relation to the purposes for which they are processed;
- d. Accurate and, where necessary, kept up to date;
- e. Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data is processed; and
- f. Processed in a manner that ensures appropriate security of the data.

The Subgrantee may grant their personnel access to personal data only if it is strictly necessary for implementing, managing, and monitoring the Agreement. The Subgrantee must ensure that the personnel is under a confidentiality obligation.

The collected personal data will be used solely for the implementation, follow-up, reporting, and management of this Agreement by the Subgrantee and its subsidiaries, and for dissemination of information and communication purposes foreseen for this Agreement.

## ETHICS AND VALUES

### 1.24 Ethics

The Project must be conducted in line with the highest ethical standards and the applicable EU, international and national law on ethical principles. The Subgrantee must abide by the specific rules on ethics contained in the General provisions of the Grant Agreement, hereby incorporated under Annex 4 of this Agreement.

### 1.25 Values

The Subgrantee 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).

## COMMUNICATION, DISSEMINATION AND VISIBILITY

### 1.26 Communication, dissemination and promoting the Project

Unless otherwise agreed with the KIC Legal Entity, the Subgrantee must promote the Project and its results by providing targeted information to multiple audiences (including the media and the public) in a strategic, coherent, and effective manner.

Before engaging in a communication or dissemination activity expected to have a major media impact, the Subgrantee must inform the KIC Legal Entity.

### 1.27 Visibility and disclaimer

The Subgrantee must comply with the applicable rules in the General provisions of the Grant Agreement, annexed to this Agreement, for the use of the EU emblem, funding statement and disclaimer.

## 1.28 Project logo and branding

The Subgrantee must use the P2R project logo and branding materials as requested by EIT KIC Legal Entity.

### INFORMATION OBLIGATIONS – RECORDKEEPING

## 1.29 General information obligations

### 1.29.1 Information requests

The Subgrantee must, keep at all times, during the Project or afterwards, their information stored in the Portal Participant Register up to date, in particular, their name, address, legal representatives, legal form and organization type.

The Subgrantee must provide, during the Project and for three years after the final payment, any information requested to verify eligibility of the costs or contributions declared, proper implementation of the Project(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 in an electronic format.

The eligibility of costs are further detailed in Annex 3.

### 1.29.2 Information about events and circumstances which impact the Project

The Subgrantee must immediately inform the KIC Legal Entity of any of the following:

- a. Events, which are likely to affect or delay the implementation of the Project(s) or affect the EU's financial interests, in particular changes in the Subgrantee's legal, financial, technical, organisational or ownership situation;
- b. circumstances affecting:
  - i. the decision to award financial support to the Project(s) or
  - ii. compliance with requirements under the Agreement.

For notices under this Agreement, see Article 1.34 Notices and other communication.

## 1.30 Recordkeeping

The Subgrantee must keep records and other supporting documents to prove the proper implementation of the Project for the defined eligible costs as per the cost eligibility rules contained in Annex 3, and in line with accepted standards in the respective field (if any) for up to five years after final payment.

### CHECKS, REVIEWS AND AUDITS

## 1.31 Checks

The KIC Legal Entity may, during the implementation of the Project or after its termination or finalization, conduct checks on the proper implementation of the Project and compliance with the obligations under the Agreement, including assessing costs and contributions, deliverables, and reports.

For this purpose, the KIC Legal Entity may be assisted by external persons or bodies.

Pertaining to the above, information provided by the Subgrantee must be accurate, precise, and complete, and in the format requested.

### **1.32 Reviews and audits**

Reviews and audits may be started up to two years after the final payment.

If conducted during the implementation of the Project, a review may also recommend corrections to the Project.

Should EU institutions or bodies including the EIT, the European Commission, the European Court of Auditors, the European Public Prosecutor's Office, or the European Anti-Fraud Office, decide to carry out a check, review, audit, or investigation pertaining to the Project, the Subgrantee must make available all required information, records, and other supporting documents relating to the implementation of this Agreement. The KIC Legal Entity must formally notify the Subgrantee of such reviews or audits.

In case reviews and audits conducted in line with this Article 14 show ineligible costs, substantial errors, irregularities, fraud, or serious breach of obligations, this may lead to suspension, termination, cost rejection, financial support reduction or cost recovery. In some cases, findings may result in the acceptance of additional costs (if the Subgrantee declared them).

#### **FORCE MAJEURE**

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

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

The Parties must immediately take all the necessary steps to limit any damage due to Force Majeure and do their best to resume implementation of the Project as soon as possible.

If the consequences of Force Majeure are not overcome, or cannot be reasonably expected to be overcome, within 12 weeks after such notification, either Party shall have the right to terminate this Agreement upon notification.

#### **MISCELLANEOUS**

### **1.33 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.

### **1.34 Notices and other communication**

Any notice to be given under this Agreement must be addressed in writing to the persons listed in Annex 1. Any formal notice must include the signature of the Authorised Representative of the notifying Party.

### **1.35 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 to this Agreement including Annexes must be made in writing and signed by Authorised Representatives of the Parties.

### **1.36 Language**

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

### **1.37 Applicable law**

This Agreement shall be construed in accordance with and governed by the applicable EU law, supplemented, if necessary, by the laws of Belgium.

### **1.38 Settlement of disputes**

The Parties must 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.

## 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 digital 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 will receive 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 EIT Climate-KIC

Name 

Title Chief Operating Officer, EIT Climate-KIC

In Amsterdam

Date 6/9/2024

Signature 


### For Subgrantee Statutarni Mesto Prerov

Name Ing. Petr Vrána

Title Ing.

In Přerov

Date 6/9/2024

Signature 

## Annex 1 – Project and Budget Description

The Subgrantee commits to test, validate and further develop the Regional Resilience Journey by:

1. Attending the training sessions
2. Reviewing Pathways2Resilience methodologies and resources
3. Enriching the Climate Resilience toolbox

The Annex 1 – Project and Budget Description contains the project data from the approved application.

## Annex 2 – Reporting and Payment Conditions and Schedule

### 1. Bank payment details

The Subgrantee must provide their payment details upon execution of the agreement, in line with Article 16.2, and with every report indicating the bank account holder, bank name and IBAN.

### 2. Obligation to submit reports

The Subgrantee must submit to the KIC Legal Entity project and financial reports as set out in this Annex including requests for payment. The relevant forms and templates will be provided by the KIC Legal Entity three months prior to the report submission deadline.

### 3. Reporting periods and payment schedule

The Project is divided into the following 'reporting periods':

Payment	Report Description	Reporting Period	Report Due Date	Payment Description	Percent of Subgrant Award Paid
1	N/A	N/A	N/A	Pre-payment made after subgrant agreement is signed.	30
2	<p><b>a. Project report</b></p> <ul style="list-style-type: none"> <li>Baseline report</li> <li>Climate Resilience Strategy</li> </ul>	Months 1-9 (1 September 2024 – 31 May 2025)	Month 11 (July 2025)	Payment made within 6 months after approval of 1 <sup>st</sup> reporting.	40
3	<ul style="list-style-type: none"> <li>Climate Resilience Action Plan</li> <li>Climate Resilience Investment Plan</li> <li>Justification for any deviations from the agreed Project.</li> </ul> <p><b>b. Financial report</b></p> <ul style="list-style-type: none"> <li>Overview of the spend-to-date based on the budget defined in Annex 1;</li> <li>Actual costs and unit costs calculated based</li> </ul>	Months 10-18 (1 June 2025 – 28 February 2026)	Month 20 (April 2026)	Payment made within 6 months after approval of 2 <sup>nd</sup> reporting.	30



Payment	Report Description	Reporting Period	Report Due Date	Payment Description	Percent of Subgrant Award Paid
	on Subgrantee's usual cost accounting practices.				

#### 4. Currency for financial statements

Financial statements must be drafted in Euro and using the daily exchange rates published in the C series of the Official Journal of the European Union, calculated over the corresponding reporting period.

#### 5. Language of reports

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



## Annex 3 – Eligibility of Costs

The rules on the eligibility of costs and contributions for Subgrantees, contained in Article 6 of the Grant Agreement are hereby transposed into this Agreement: <https://www.climate-kic.org/wp-content/uploads/2023/10/23-27-P2R-Grant-Agreement-Article-6.pdf>.

#### Annex 4 – Transposition of General Provisions of the Grant Agreement

The General provisions of the Grant Agreement lay down rules relating to crucial aspects of the Project such as:

Article 12 of the Grant Agreement, Conflict of Interest

Article 13 of the Grant Agreement, Confidentiality and Security

Article 14 of the Grant Agreement, Ethics and Values.

Article 16 of the Grant Agreement, Intellectual Property Rights

Article 17.2 of the Grant Agreement, Visibility

Article 18 of the Grant Agreement, Specific Rules for Carrying Out Action

Article 19, of the Grant Agreement, Information

Article 20 of the Grant Agreement, Record Keeping

Article 25 of the Grant Agreement, Checks, Reviews, Audits and Investigations — Extension of Findings

These General provisions are hereby incorporated into the Agreement.