

CONSORTIUM AGREEMENT

č.358/2022

PREAMBLE

This Agreement ('the Agreement') is between the following parties:

1. 'the coordinator': RPIC RV

Name of entity: Regionálne poradenské a informačné centrum Rožňava

Legal form: Záujmové združenie právnických osôb

Established in : Zakarpatská 19, 048 01 Rožňava

ID: 35538384

ID tax: 2021593970

Contact: +421 905 758 767 (Director)

E-mail: rpicrv@rpicrv.sk

Http: <https://rpicrv.sk/>

Representative: Ing. Ivan Pezlar., director

Banking conection : SK1409000000000513012672

&

2. the beneficiary: PRIMOM

Name of entity: PRIMOM Foundation for Enterprise Promotion of Szabolcs-Szatmár-Bereg County

Legal form: the legal person

Established in: H-4400 Nyíregyháza, Váci M str. 41.

ID: 999835067

ID tax: 19205760-2-15

Contact: +36 42 502133

E-mail: primom@primom.hu

Http: <http://primom.hu/>

Representative: Mr. Csaba CZOMBA, Head board of Trustees

Banking connection: HU1176 3440 1067 6882 0000 0000

&

3. the beneficiary: Municipality Nyiregyháza

Name of entity: Municipality of Nyíregyháza/ Nyíregyháza Megyei Jogú Város Önkormányzata

Legal form: Local public authority/public administratio

Established in: 4400 Nyíregyháza, Kossuth square 1. / 4400 Nyíregyháza, Kossuth tér 1.

ID: 15731766-8411-321-15

ID tax: 15731766-2-15

Contact: +3642 524-524

E-mail: polgarmester@nyiregyhaza.hu molnar.zsuzsanna@nyiregyhaza.hu

Http: <https://www.nyiregyhaza.hu/>

Representative: Dr Ferenc Kovács Mayor

Banking conection: HU54 1174 4003 1540 2006 0000 0000

&

4. the beneficiary: City Rožnava
Name of entity: Mesto Rožňava
Legal form: Local public authority
Established in : Mesto Rožňava
Šafárikova 499/29 04801 Rožňava
ID: 00328758
ID tax: 2020937116
Contact:+421905 285 814
E-mail: primator@roznavas.sk, jarmila.janosikova@roznavas.sk
Representative: Michal Domik
Banking connection : VUB Banka, a.s.
IBAN: SK27 0200 0000 0019 3791 1051

On the basis of : **Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014 (Text with EEA relevance)**

By signing the Agreement and the accession forms, the beneficiaries accept the grant and agree to implement the action under their own responsibility and in accordance with the Agreement, with all the obligations and terms and conditions it sets out.

ARTICLE I DEFINITIONS

1. **Grant Agreement** — Grant Agreement means the agreement signed between the Parties to this Consortium Agreement and the European Commission represented by the Executive Agency for Small and Medium-sized Enterprises (EASME) electronically via the Participation Portal of the European Commission, under the reference number of the European Commission and registered in the Participation Portal of the European Commission as 101074091 — GAPSME — SMP-COSME-2021-RESILIENCE.
2. **The coordinator**— Lead partner of the consortium, the coordinator is RPIC-RV
3. **Consortium** — Consortium means an informal association of a coordinator and contractors formed for the purpose of cooperation in the implementation of a project. The Consortium does not have a legal personality in Slovak law and is not an association under §829 of Act No. 40/1964 Coll., Civil Code, as amended. The consortium is formed by the coordinator and the contractual parties.
4. **General assembly** — General assembly means the supreme decision-making body.
5. **Project Management Board**— Project Management Board is Project Implementation Committee
6. **Day** — a day is a calendar day unless otherwise specified in this Agreement. The day on which the event determining the beginning of the period is not included in the running of the period
7. **Actions** — The project which is being funded in the context of the Grant Agreement.
8. **Grant** — The grant awarded in the context of the Grant Agreement.

9. **EU grants** — Grants awarded by EU institutions, bodies, offices, or agencies (including EU executive agencies, EU regulatory agencies, EDA, joint undertakings, etc.).
10. **Participants** — Entities participating in the action as beneficiaries, affiliated entities, associated partners, third parties giving in-kind contributions, subcontractors or recipients of financial support to third parties.
11. **Beneficiaries** — The signatories of this Agreement (either directly or through an accession form).
12. **Affiliated entities** — Entities affiliated to a beneficiary within the meaning of Article 187 of EU Financial Regulation 2018/10464 which participate in the action with similar rights and obligations as the beneficiaries (obligation to implement action tasks and right to charge costs and claim contributions).
13. **Associated partners** — Entities that participate in the action, but without the right to charge costs or claim contributions.
14. **Purchases** — Contracts for goods, works, or services needed to carry out the action (e.g. equipment, consumables, and supplies) but which are not part of the action tasks (see Annex 1).
15. **Subcontracting** — Contracts for goods, works, or services that are part of the action tasks (see Annex 1).
16. **In-kind contributions** — In-kind contributions within the meaning of Article 2(36) of EU Financial Regulation 2018/1046, i.e. non-financial resources made available free of charge by third parties.
17. **Fraud** — Fraud within the meaning of Article 3 of EU Directive 2017/13715 and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 19956 as well as any other wrongful or criminal deception intended to result in financial or personal gain.
18. **Irregularities** — Any type of breach (regulatory or contractual) which could impact the EU financial interests, including irregularities within the meaning of Article 1(2) of EU Regulation 2988/957
19. **Grave professional misconduct** — Any type of unacceptable or improper behavior in exercising one's profession, especially by employees, including grave professional misconduct within the meaning of Article 136(1)(c) of EU Financial Regulation 2018/1046.
20. **Applicable EU, international and national law** — Any legal acts or other (binding or non-binding) rules and guidance in the area concerned.
21. **Portal** — EU Funding & Tenders Portal; electronic portal and exchange system managed by the European Commission and used by itself and other EU institutions, bodies, offices or agencies for the management of their funding programs (grants, procurements, prizes, etc.).
22. **Force majeure**- fire, floods, storms, earthquakes, war, terrorism, fuel shortages, transport embargoes.

ARTICLE II DURATION OF THE AGREEMENT

1. The consortium agreement is valid from the date of signature by all Parties. It shall remain in force until the coordinator has discharged in full its obligations arising from the Grant agreement towards the Managing Authority, including the period of availability of documents for financial controls.

2. This Agreement shall also remain in force if there is any non-resolved dispute among the Parties at an out-of-court arbitration body.
3. The breach of the obligations of the Partnership agreement by one of the project partners may lead to the early termination of its participation in the project. This termination has to be decided by consensus by all the other project partners in a documented manner, provided that the eligibility rules of the Call for proposals are kept with the remaining Project partners and that the consequently initiated amendment of the Grant Agreement is successful at the Managing Authority. However, the Project partner will be obliged by the present Agreement for its whole duration with regard to the activities carried out and expenditure incurred until that moment. In case the Grant Agreement terminates, the present Consortium agreement is terminated.
4. The duration of the project is 18 months, starting on the first of May 2022 and ending in 31th of October 2023.

ARTICLE III
PROJECT IMPLEMENTATION
PROJECT MANAGEMENT

1. The activities of the Project partners and the role of the coordinator and of each Beneficiary in the Project are described in the application form, project management plan, and grant agreement.
2. The Project partners take into account all rules and obligations as set out in the application form, project management plan, and the grant agreement and its annexes.
3. The Project partners commit themselves to undertake everything in their power to foster the successful and efficient implementation of the Project.
4. Each Beneficiary is directly and exclusively responsible to the Coordinator for the due implementation of their project part and for the proper fulfillment of its obligations as set out in the Consortium Agreement and in the Grant Application Form.
5. General project management includes the operational, technical, scientific, and administrative coordination and supervision of the various project activities.
6. The General Assembly shall have a quorum if a majority of all members are present.
7. Participation and voting in the General Assembly are also possible via an online platform.
8. The Coordinator (as one of the Contracting Parties) reserves the right to convene meetings of the General Assembly and the Project Management Board for the purpose of proper and timely implementation of the project and in accordance with the timetable. The convening of the General Assembly and the Project Management Board may be requested by either of the Parties whenever deemed necessary.
9. The date and agenda of the General Assembly & Project Management Board meeting shall be communicated to the Parties at least 15 days before the date of the meeting by electronic means to the addresses of the members.
10. The Contracting Parties shall have the right to attend the General Assembly and the Project Management Board meeting represented by the members of these 2 bodies or by a proxy by written mandate.
11. The Parties shall be entitled to make proposals to the General Assembly and the Project Management Board, to comment on agenda items, and to participate by a vote in the decisions of the General Assembly and the Project Management Board.

12. The Project Coordinator reserves the right to request the Parties to submit a disbursement summary and reports on the implementation of the project activities as set out in the Grant Agreement within 10 days of the specific Party's request

ARTICLE IV OBLIGATIONS OF THE PARTIES

1. Coordinator and beneficiaries, as signatories of the Consortium & Grant Agreement, are fully responsible to the granting authority for implementing it and for complying with all its obligations.
2. Coordinator and beneficiaries must implement the project, grant Agreement and to their best abilities, in good faith and in accordance with all the obligations and terms and conditions it sets out.
3. The coordinator and beneficiaries shall actively cooperate in the development and implementation of the Project. In addition, they shall cooperate in the staffing and financing of the Project. The coordinator and each Beneficiary shall be legally and financially responsible for the activities that it is implementing and for the share of the union funds
4. Coordinator and beneficiaries must have the appropriate resources to implement the action and implement the action under their own responsibility and in accordance with Grant agreement Article 11. If they rely on affiliated entities or other participants (see grant agreement Articles 8 and 9), they retain sole responsibility towards the granting authority and the other beneficiaries.
5. The coordinator and beneficiaries are jointly responsible for the technical implementation of the action. If one of the beneficiaries fails to implement their part of the action, the other beneficiaries must ensure that this part is implemented by someone else.
6. The party that failed to technically implement their part of an action is financially responsible to the consortium for any extended costs that are a direct consequence of the improper implementation.
7. Coordinator and beneficiaries (and their action) must remain eligible under the EU program. funding the grant for the entire duration of the action. Costs and contributions will be eligible only as long as the beneficiary and the action are eligible.
8. In addition to the obligations set out in the Grant Agreement, the Coordinator is obliged, in particular:
 - a. to be responsible for the overall coordination, management and implementation of the entire Project.
 - b. to inform all Beneficiaries of the signature of the Grant Agreement and provide all Beneficiaries with a copy thereof.
 - c. to implement the Project in compliance with requirements set in the Grant Agreement.
 - d. to appoint a project manager for the overall project coordination
 - e. to appoint a financial manager in charge of the overall project. financial implementation ensuring a proper bookkeeping system, filing the original supporting documents.
 - f. to appoint a communication manager in charge of the assurance of the visibility requirements, and the communication and capitalization activities.
 - g. to set up a reliable internal control system, coordination system and

- audit trail, including mechanisms to avoid double financing
 - h. to guarantee the legality and regularity of the funds allocated to the project, in compliance with all the eligibility criteria.
 - i. to arrange the recovery of amounts unduly paid.
 - j. to ensure that the Beneficiaries receive the total amount of the Union contribution as quickly as possible and in full in accordance with the present Agreement.
 - k. to communicate with the Authorities and report to them in time about any Project complications, changes in the activity or Beneficiaries and to notify the Authority immediately of any event that could lead to a temporary or final termination or delay of the project activity as well as endanger/jeopardise the implementation of the Project.
 - l. to consult Beneficiaries regularly, keep them fully informed of the progress of the Project and all essential issues connected to project implementation (e.g. about any variation of the conditions at the basis of the present Agreement or about any modification that could influence the implementation of the Project, the information activity or the payment of financing) and notify them immediately of any event that could lead to a temporary or final termination or delay of the project activity as well as endanger/jeopardise the implementation of the Project.
 - m. to ensure that all Beneficiaries are involved in the decision making regarding the Project,
 - n. to guarantee the systematic collection and the safe storage of all the documentation regarding project expenditure and activities.
 - o. to keep a copy of all project documents prepared by the Project Participants or other bodies.
9. In addition to the obligations set out in the Grant Contract, each Beneficiary is obliged, in particular:
- a) to implement its Project part in compliance with requirements set in the Grant Contract
 - b) to provide the co-financing to the grant contribution
 - c) to appoint a project manager who is responsible for its part of the project implementation
 - d) to appoint a financial manager in charge of ensuring a proper book keeping system, filing the original invoices, ensuring adequate measures to avoid double financing etc.
 - e) to be active in the decision-making process.
 - f) to be responsible for the outcome of each working package and all actions concerning that particular partner
 - g) to be in compliance with the coordinator about financial obligations described in the grant agreement
 - h) to provide to the coordinator every relevant document needed to correct and right fulfilment of the final financial report.
 - i) in the event of a reduction of the grant due to incorrect, incomplete documents submitted by the Beneficiaries to the Coordinator, to reimburse the Coordinator on the basis of the Coordinator's call for an adequate amount, which will subsequently be sent by the Coordinator to the Grant Authority.

ARTICLE V
FINANCIAL MANAGEMENT OF THE PROJECT

1. The Parties of the agreement acknowledge and are bound by the project budget as set out in Annex 2 of the Grant Agreement. They also undertake to respect the financial limits and constraints of the proposed budget.
2. Payments will be made in accordance with the schedule and modalities set out in the Data Sheet of the grant agreement (see Point 4.2). They will be made in euro to the bank account indicated by the coordinator and beneficiaries must be distributed without unjustified delay (restrictions may apply to the distribution of the initial prefinancing payment)
3. The Parties undertake to establish at the Project Management Board meetings a binding mechanism for the transfer of funds according to the outstanding balance of the advance payment
4. The Parties undertake to establish at the Project Management Board meetings a precise timetable for the substantive and temporal delivery of the project activities as set out in Annex No 1. and Chapter 2 of the Grant Agreement
5. The Coordinator reserves the right to veto votes on financial transfers or the timing of individual activities.
6. The Parties agree that the Coordinator shall be entitled to withhold or request the re-transfer of a specific amount of funds from the European Commission's advance payment following the submission of the final payment request, according to the proportion of the costs actually reported and the proportion of the amount of the guarantee fund and the lien in relation to the maximum amount of the grant
7. The Parties agree that any delay or damage to the financial management of the project is the responsibility of the subject that caused this delay or damage.
8. The Parties undertake to proceed in accordance with Articles 5 and 6 of the Grant Agreement in respect of decisions on the use of funds other than those set out in Article 6 of the Grant Agreement. If one of the Contracting Parties does not or is unable to use the funds as planned in accordance with Article No 5 and 6 of the Grant Agreement, it must notify the other Contracting Parties of the impossibility of such use and the reasons for it within 10 days of the date on which it becomes aware of that fact, or otherwise within 15 days of the date of the legal event giving rise to such circumstances. If this has occurred, the Project Management Board shall decide on another use of these funds

ARTICLE VI
RESULTS

1. All the Parties shall adhere to the set numbers of the activities and action plan so that the planned results and related indicators are achieved, as detailed in the Grant Application Form.

ARTICLE VII
GRANT AGREEMENT OR BENEFICIARY TERMINATION

1. If necessary and according to the circumstances Grant agreement or beneficiary termination will take place according to the grant agreement article 32

ARTICLE VIII LIABILITY

1. The Project Participants agree that one Party cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the other Party while the Project is being carried out or as a consequence of the Project.
2. The Project Participants agree that they shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the part of the Project implemented under their own responsibility is being carried out or as a consequence of that part of the Project.
3. No party is responsible for failures or delays if these are caused by circumstances beyond its reasonable control (force major see in article I. of this consortium agreement)

ARTICLE IX BUDGET AND ELIGIBLE EXPENDITURES

1. Form of grant The grant is an action grant which takes the form of a budget-based mixed actual cost grant based on actual costs incurred, but which may also include other forms of funding, such as unit costs or contributions, flat-rate costs or contributions, lump-sum costs or contributions or financing not linked to costs).
2. The maximum grant amount is set out in the grant agreement: Data Sheet (see Point 3) and in the estimated budget (Annex 2).
3. The budget breakdown may be adjusted — without an amendment (see Article 39 Grant agreement) — by transfers (between participants and budget categories), as long as this does not imply any substantive or important change to the description of the action in the Grant agreement Annex 1.
4. The general eligibility conditions are described in Grant agreement Article 6

ARTICLE X OWNERSHIP OF THE RESULTS

1. The beneficiaries must give each other and the other participants access to the background identified as needed for implementing the action, subject to any specific rules in Grant agreement Annex 5.
2. ‘Background’ means any data, know-how, or information — whatever its form or nature (tangible or intangible), including any rights such as intellectual property rights Ownership of results— that is:
 - (a) held by the beneficiaries before they acceded to the Agreement and
 - (b) needed to implement the action or exploit the results.
 - (c) If the background is subject to the rights of a third party, the beneficiary concerned must ensure that it is able to comply with its obligations under the Agreement.
3. The granting authority does not obtain ownership of the results produced under the action.
4. ‘Results’ means any tangible or intangible effect of the action, such as data, know-how, or information, whatever its form or nature, whether or not it can be protected, as well as any rights attached to it, including intellectual property rights.
5. The results belong to every part of this agreement and will be considered the intellectual property of the consortium as a whole.

ARTICLE XI
APPLICABLE LAW & DISPUTE SETTLEMENT

1. The Agreement is governed by the applicable EU law, supplemented if necessary by the law of the Slovak Republic.
2. If a dispute concerns the interpretation, application, or validity of the Agreement or any commercial internal dispute in the process of implementing the project will occur the parties must bring an action before the court of the Slovak Republic — under the REGULATION (EU) No 1215/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters

ARTICLE XII
WORKING LANGUAGE

1. The working language of the consortium is English.

SIGNATURES

RPIC RV
Ivan Pezlar, place & date

PRIMOM.....
Csaba CZOMBA, place & date

Municipality Nyiregyháza.....
Ferenc Kovács, place & date

ROZNAVA CITY.....
Michal Domik, place & date

ANNEXES

1. Grant agreement