

Contracting parties

(1)

Creative Industry Košice, n.o. (CIKE)

Registered seat: Kukučínova 2, 040 01 Košice, Slovak Republic
Represented by: Ing. arch. Michal Hladký, ArtD., Director
Company ID: 35 583 461
Tax ID: 2022737871
VAT ID: SK 2022737871
IBAN: SK21 5600 0000 0005 5823 5001
e-mail: office@cike.sk
hereinafter referred to as "**Contracting_partner_CIKE**";

(2)

Anna s.r.o. a legal entity under the laws of Slovakia with company number 52837904 and having its registered address at Myslavská 586/261, 04016 Košice hereinafter referred to as the "**Beneficiary third-party**", duly represented by Rastislav Varchola.

Together the "**Contracting Parties**" or individually the "**Contracting Party**", have agreed to the following terms and conditions, including those in **Annexes 1-11** which form an integral part of the agreement (hereinafter referred to as the "**Contract**").

1. General provisions

1.1. Label4Future will engage quadruple helix stakeholders from both less developed (LDR) and developed EU regions to utilize design practices, new technologies, future scenarios development, media art innovative approaches, research and innovation to define, prioritize and test innovation investment projects that will contribute to building capacities of small to medium enterprises (SMEs), local public authorities and research institutions in LDRs to understand value chains articulation and implementation, set up and reinforce regional ecosystems, and interconnect stakeholders from advanced and less advanced EU regions in order to foster regions transition to more circular and more sustainable economic model.

Label4Future will utilize residencies, coaching workshops, future forums, policy living labs, inspirational study visits, and seed funds. During 18 months, experts from the plastic industry and interconnected sectors, creative & cultural industries and the consortium will use these actions to address several objectives:

- mapping and benchmarking of value chains,
- building new regional and cross-regional alliances and facilitating cross-border and cross-sectoral collaboration

- multi-stakeholder co-development of future scenarios, digital twins of identified innovative approaches
- stress-test (pilot) the proposed policies/innovation solutions/projects to bring to market or implement innovative circular solutions
- deliver updated policies, support actions, and investment projects.
- upscale the project result through dissemination activities

To participate in the Label4Future open call, SMEs had to submit proposals for innovative pilots that can benefit their institutions and help them set the stage for a green transformation. In total six SMEs will be supported.

1.2. **Contracting_partner_CIKE** acts on behalf of the consortium, comprising Creative Industry Kosice, Technical University in Kosice, ARS Electronica Linz GMBH & CO KG, Stichting European Creative Business Network, Kreativni Praha, Gospodarska Zbornica Slovenije, Austria Wirtschaftsservice GMBH (hereinafter referred to as the "**Label4Future Consortium**").

1.3. The European Innovation Council and SMEs Executive Agency (EISMEA), under the powers delegated by the European Commission (hereinafter referred to as the "**EC**") and the Label4Future Consortium have signed Grant Agreement no 101133162 (hereinafter referred to as the "**EC Grant Agreement**").

1.4. Label4Future has as one of its major objectives the piloting of innovation investment projects that will contribute to building capacities of SMEs in LDRs to understand value chains articulation and implementation to foster transition to more circular and more sustainable economic model powered by interregional creative industries. The piloting is supported by means of an open call as described in Annex 1 (hereinafter referred to as the "**Label4Future open call**").

The Label4Future Project has been positively evaluated and is therefore entitled to receive funding including support to the third parties according to the terms and conditions set out under this Contract. The funds which will be received by the **Beneficiary third-party** under this Contract are provided by the EC. **Contracting_partner_CIKE** has been tasked by the EC to manage these funds.

1.5. This Contract defines the framework of rights and obligations of the Contracting Parties under the specific project submitted by the Beneficiary third-party (Annex 5) and that has been awarded funding under the Label4Future project ReEarth hereinafter referred to as the "**Pilot project**", as further described in Annex 1.

1.6. Annex 4 of this Contract is the Declaration of Honour, which the Beneficiary third-party certified by authorised signature at the application stage. Annex 4 sets out the declarations to which the Beneficiary third-party must adhere. Breach of the provisions of Annex 4 shall be considered a material breach of the Contract.

2. Entry into force of the Contract and termination

2.1. This Contract shall enter into force on the August 31st hereinafter referred to as the "**Effective date**". The last Contracting Party have to send two original copies of the contract via post mail to the other Contracting Party. The Contract shall continue in full force until complete fulfilment of all obligations undertaken by the Beneficiary third-party for the Pilot project, estimated to be approximately three (3) months duration and as agreed in Annex 1. Termination of the Contract will be subject to the terms and conditions set out in Clause 14, below.

2.2. The provisions relating to Intellectual Property Rights, Data Protection, Information and Dissemination, Financial Audits and Control, Liability, Applicable Law, Settlement of Disputes and Confidentiality (specifically for the time period set out in Clause 8 below) shall survive the expiration or termination of the Contract.

3. Performance obligations and responsibilities of the Beneficiary third-party

3.1. The Beneficiary third-party undertakes to take part in the efficient implementation of the Pilot project and to cooperate, perform and fulfil promptly and on time, all of its obligations set out in this Contract and in particular Annex 1, Annex 2 and Annex 4 for use of the Data as may reasonably be required and with a duty of good faith and compliance with the Privacy Statement (Annex 8) accompanying the call documents as defined in Annex 2 (Guide for applicants).

3.2. The Beneficiary third-party will comply with the obligations as set out in this Contract and Annexes 1, 2 and 4, in particular:

3.2.1. The Beneficiary third-party will use the provided services (see Annex 1) for the sole purpose of carrying out the Pilot project and in accordance with the requirements of Article 6.2.D.X of the EC Annotated Model Grant Agreement hereinafter referred to as the "**AGA**" (Annex 7).

3.2.2. The Beneficiary third-party will designate two of its employees to represent the company in all activities of the project, which are **Rastislav Varchola and Lenka Varcholova**.

3.2.3. The Beneficiary third-party shall immediately inform **Contracting_partner_CIKE** of any changes in status or circumstances that may lead to a delay in or inability to perform its obligations under the Contract.

3.2.4. The Beneficiary third-party shall not assign its rights, duties or obligations under this Contract to any person or entity, in whole or in part and any attempt to do so shall be deemed a breach of this Contract.

3.2.5. The Beneficiary third-party shall comply with the terms of the Declaration of Honour incorporated by reference as Annex 4.

3.2.6. The Beneficiary third-party shall keep all records relating to the Project including financial records for Eligible Costs as set out in Article 6 of the AGA for a period of five (5) years from the termination or expiry of this Contract.

3.2.7. The Beneficiary third-party shall comply with all relevant laws including but not limited to anti-corruption and anti-bribery, data protection, equality and ethics including compliance with the Privacy Statement (Annex 8) and Section 4 of Annex 4 (Declaration of Honour) and accompanying the call documents.

3.3. The Beneficiary third-party shall also comply with the following specific obligations in relation to LABEL4FUTURE:

3.3.1. Populate and maintain a contact sheet with key contact details of staff;

3.3.2. Provide a short description of the institution, a short abstract of the pilot proposal (max. 1000 characters) and photos with credits to the communication team within 3 weeks of signing this contract. The materials will be placed on the [LABEL4FUTURE website](#).

3.3.3. Update any team changes and communications data to **Contracting partner CIKE** as soon as reasonably practicable and in any event, no later than seven days following the relevant change;

3.3.4. Work to promote the LABEL4FUTURE project and its mission, as well as the Digital transformation programme of the EU;

3.3.5. Use the LABEL4FUTURE brand appropriately in its communications as agreed with the LABEL4FUTURE project mentor, including but not limited to LABEL4FUTURE logo and mention of participation in the LABEL4FUTURE Project on Beneficiary third-party website; and

3.3.6. Do nothing that may have an adverse effect on the reputation of the LABEL4FUTURE Project or LABEL4FUTURE Consortium members.

3.4 Deliverables and obligations

3.4.1 Participate in all the pilot programme activities as described in Annex 1.

3.4.2 Dedicate a project coordinator for the whole duration of the project.

3.4.3 Agree with the Open access publication policy of LABEL4FUTURE project (Annex 10).

3.4.4 Communication & dissemination obligations, on the following channels (further detailed in [Annex 9](#))

- Website Announcement of selection/participation in the incubation programme. This must include the following credit line:

"[SME NAME] is part of the LABEL4FUTURE piloting of innovation projects which has received funding from the European Union's under Grant Agreement No 101133162".

The credit line must be accompanied by the EU logo and the LABEL4FUTURE logo.

4. Conflict of Interests

4.1. The Contracting Parties agree to take all measures to prevent any situation where the impartial and objective implementation of the Pilot project is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ("**Conflict of Interest**").

4.2. Each Contracting Party must formally notify the other Contracting Party 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.

4.3. **Contracting_partner_CIKE** will notify the EC without delay of a Conflict of Interest of either the Beneficiary third-party or of **Contracting_partner_CIKE**.

4.4. The Contracting Parties agree to take any reasonable measures notified to **Contracting_partner_CIKE** by the EC to rectify a Conflict of Interest.

5. Breach of contractual obligations

5.1. In the event a Contracting Party breaches any of its obligations under this Contract, the other Contracting Party will give written notice requiring that, where possible, such a breach is to be remedied within thirty (30) days. In case the defaulting Contracting Party has not remedied the breach within the notice period, or a remedy is not possible, the other Contracting Party may decide to terminate the Contract unilaterally. In case the Beneficiary third-party is the defaulting Contracting Party, **Contracting_partner_CIKE** may take measures to secure from the Beneficiary third-party the repayment of the payments already received.

5.2. For the avoidance of doubt the following sets out a non-exhaustive list of events that will constitute a breach:

5.2.1. **Contracting_partner_CIKE** identifies that the Beneficiary third-party has breached its obligations under the Contract;

5.2.2. The Beneficiary is not participating in the key activities as described in the Annex 1

5.2.4. The Beneficiary third-party has changed the nature of its business and therefore is not able or willing to continue the Project; or

5.2.5. The Beneficiary third-party breaches the provisions of the Declaration of Honour set out at Annex 4, including but not limited to the Ethics and General Data Protection Regulations in Section 4.

6. Funding and financial provisions

6.1. The free of charge innovation services for the Beneficiary are specified in the Project description included in Annex 1.

6.2. **Contracting_partner_CIKE** will cover all travel and accommodation costs, as well as subsistence costs to the Beneficiary Third Party based on the EU COMMISSION DECISION of 12.1.2021 authorising the use of unit costs for travel, accommodation and

subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (Annex 11)

7. Liability of the Awardee

7.1. The EC and the LABEL4FUTURE Consortium cannot be held liable for any acts or omissions of the Beneficiary third-party in relation to this Contract nor for any damage caused by the Beneficiary third-party as a consequence of implementing this Contract including any acts of gross negligence.

7.2. Each Contracting Party shall bear sole responsibility for ensuring that their acts within the framework of this Contract do not infringe non-contractual parties' rights.

7.3. The EC and the LABEL4FUTURE Consortium cannot be held liable for any damage caused to the Beneficiary third-party as a consequence of implementing the Pilot project including consequential losses including, for the avoidance of doubt, any losses in respect of processing activities in relation to the Data.

8. Confidentiality

Principles

8.1. With respect to all information of whatever nature or form as is disclosed between the Contracting Parties in connection with the Pilot project and identified in writing as confidential, the terms of this Clause shall apply.

Confidentiality obligations

8.2. The Contracting Parties agree that the information defined in Clause 8.1 is communicated on a confidential basis and its disclosure may be prejudicial to the owner of the information, and the Contracting Parties undertake that they will not, during the Pilot project and for a period of five (5) years from the expiration date of the Pilot project (July 2025), use any such information for any purpose other than in accordance with the Contract and the terms specified in Annexes 2 and 4.

8.3. The Contracting Parties undertake that they will, during the Pilot project and for a period of five (5) years from the expiration date of the Pilot project, treat the information as confidential, provided always that such agreement and undertaking shall not extend to any information which the receiving Party can show:

8.3.1. was, at the time of disclosure to the Beneficiary third-party, published or otherwise generally available to the public; or

8.3.2. has, after disclosure to either of the Contracting Parties, been published and become generally available to the public otherwise than through any act omission on the part of the receiving Party; or

8.3.3. was already in the possession of a Contracting Party, without any restrictions on disclosure, at the time of disclosure to the receiving Party; or

8.3.4. was rightfully acquired from others without any undertaking of confidentiality; or

8.3.5. is or was independently developed by a Contracting Party without use of the information provided by the disclosing Party; or

8.3.6. was required to be disclosed in order to comply with applicable laws or regulations or with a Court or administrative order.

8.4. In case of a breach of the confidential rules in this Contract, the Contracting Party breaching the confidentiality obligations will remain solely liable for possible claims.

8.5. The Contracting Parties agree that confidential information that is disclosed to the EC by **Contracting_partner_CIKE** may be disclosed to:

8.5.1. the EC's staff, other EU Institutions and bodies; or

8.5.2. non-contractual parties as necessary to implement the LABEL4FUTURE Project or safeguard the EC's financial interests, all subject to those parties being bound by obligations of confidentiality.

8.6. Breach of the provisions of this Clause 8 may result in termination of this Contract by either Contracting Party.

9. Data protection

9.1. The Parties agree to adhere to all applicable statutory requirements and mandatory codes of practice in respect of confidentiality in relation to individuals, including, without limitation and where applicable, the GDPR and the Belgian GDPR Implementation Act (2018), any subsequent amendments or enactments thereof, and any guidance or codes of practice issued by the European Data Protection Board or the Belgian Data Protection Authority (hereafter referred to collectively as the "Data Protection Legislation").

9.2. The Parties agree not to share any Personal Data (as defined in the Data Protection Legislation) between themselves or with the LABEL4FUTURE Consortium members for the purposes of the LABEL4FUTURE Project unless (i) this Contract makes specific provision for sharing Personal Data, or (ii) the Parties first enter into a separate agreement for sharing Personal Data.

9.3. In the event that the Parties share any pseudonymised data relating to individuals between themselves or with the LABEL4FUTURE Consortium members for the purposes of the LABEL4FUTURE Project:

9.3.1. the providing Party undertakes not to provide any key that relates to pseudonymous data to the identities of individuals whose data are included in the pseudonymised data, and

9.3.2. the receiving Party shall not attempt to trace or re-identify any individual from the pseudonymised data provided.

9.3.3. Clause 1.3.2. above does not apply where an individual has been recruited into an ethically approved study by the receiving Party and the receiving Party needs to link the pseudonymised data or re-identify or contact an individual for the purpose of that study.

9.4. Should the providing Party inadvertently transfer Personal Data, or should the receiving Party inadvertently identify any individual from the pseudonymised data, the receiving Party:

9.4.1. shall protect such Personal Data with appropriate physical and technical security measures, as required for the protection of Personal Data in accordance with the Data Protection Legislation;

9.4.2. shall inform the providing Party as soon as reasonably practicable, giving the providing Party all reasonable assistance in determining the circumstances under which this occurred;

9.4.3. shall not process the Personal Data, except in accordance with the providing Party's instructions;

9.4.4. shall neither record the identity of any individual nor share the identification of any individual with any other person (except as required at Clause 9.4.2), nor attempt to contact any individual; and

9.4.5. shall follow all reasonable instructions of the providing Party that are given in order to protect the privacy of the individuals.

9.5. The Parties recognise that in certain circumstances, depending on the characteristics of pseudonymised data being made available to the receiving Party, and any other information which is, or becomes, available to the receiving Party, such pseudonymised data could legally constitute Personal Data, and in such circumstances the Parties agree to promptly amend the Contract further to make it compliant with the Data Protection Legislation.

10. Intellectual property rights and ownership of results

10.1. The Beneficiary third-party is the owner of all creations (in the broadest sense) it generated in the context of the LABEL4FUTURE incubation programme and of the intellectual property rights attached thereto.

10.2. Notwithstanding Clause 10.1, the Beneficiary third-party grants to **Contracting_partner_CIKE** a non-exclusive, royalty-free, perpetual (for the entire duration of copyright or any other IP right), worldwide, sublicensable (to the other members of the LABEL4FUTURE Consortium) and irrevocable license to use the above-mentioned creations without any scope limitation and by all manners of use, including the right to make them available to the public in accordance with LABEL4FUTURE' Open Access Policy.

10.3. These creations may be integrated by the Beneficiary third-party or any non-contractual party into other creations generated outside the context of the LABEL4FUTURE incubation programme subject to **Contracting_partner_CIKE** 's prior written authorisation.

10.4. The LABEL4FUTURE Consortium intend to make the results of the pilot program accessible to the public (non-exhaustive list: publications as hard copy and in electronic or

digital format,...). By signing the pilot agreement, the beneficiary consents to the processing of the shared information for the purposes as stated in the Annex 10 "Open Access Policy".

The Beneficiary third-party assigns the LABEL4FUTURE consortium the non-exclusive, factually, temporally and spatially unrestricted right to use the information & documentation on existing and future websites, video-streaming platforms (such as YouTube or Flickr) as well as all other public display formats in connection with LABEL4FUTURE.

Due to technical and organizational constraints the LABEL4FUTURE consortium reserve the right to determine the actual extent, timing and layout/editing of the publications and documentaries. No duty on the part of the LABEL4FUTURE consortium to make publications and/or documentaries can be imputed.

The Beneficiary third-party hereby declares to be legally authorized to convey such rights to the extent stipulated above and to obtain any and all necessary consent from third parties as called for by regulations governing copyright, personal property rights or other such legal provisions, and to provide proof of such at any time if requested by the LABEL4FUTURE consortium.

The Beneficiary third-party expressly agrees that personal data which is part of the provided information (eg. names, address, e-mail, telephone number or other contact details provided by contractual partner) may also be processed by the LABEL4FUTURE consortium for the purpose of providing public information.

11. Force majeure

11.1. "Force Majeure" shall mean any unforeseeable exceptional situation or event beyond the Contracting Parties' control, which prevents either of them from fulfilling any of their obligations under the Contract, which was not attributable to error or negligence on their part and which proves to be inevitable in spite of the exercising of all due diligence. 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, as well as labour disputes, strikes or financial difficulties cannot be invoked as Force Majeure.

11.2. The Contracting Parties shall take the necessary measures to limit any damage due to Force Majeure. They shall do their best to resume the implementation of the action as soon as possible.

11.3. A Contracting Party shall not be considered to be in breach of its obligations and tasks if such breach is caused by Force Majeure. A Contracting Party will notify the other Contracting Party of any Force Majeure as soon as possible. In case a Contracting Party is not able to overcome the consequences of Force Majeure within thirty (30) calendar days after such notification, the other Contracting Party is entitled to terminate the Contract unilaterally.

12. Information, and Dissemination

Information and communication with the EC and the LABEL4FUTURE Consortium

12.1. For the avoidance of doubt this Clause has no impact on the Confidentiality provisions set out under Clause 8 above.

12.2. The Beneficiary third-party shall, throughout the duration of the Project, take appropriate measures to engage with the public and the media about the LABEL4FUTURE project and the Pilot project and to highlight the financial support of the EC and the LABEL4FUTURE Consortium.

12.3. Any communication activities of the Beneficiary third-party related to the Pilot project must:

12.3.1. Display the EU emblem;

12.3.2. Include the text: *"This project has received funding from the European Union's Horizon 2020 research and innovation programme under Grant Agreement No 101036071."*

12.4. Any publicity made by the Beneficiary third-party in relation with the Pilot project in addition to or alongside LABEL4FUTURE logo and branding as required, in whatever form and on or by whatever medium, must specify that it reflects only the author's views and that the EC and the LABEL4FUTURE Consortium are not liable for any use that may be made of the information which it contains.

12.5. The Beneficiary third-party acknowledges and agrees that EC and the LABEL4FUTURE Project shall be authorised to publish, in whatever form and on or by whatever medium, the following information:

12.5.1. the name of the Beneficiary third-party;

12.5.2. contact address of the Beneficiary third-party;

12.5.3. the general purpose of the Pilot project;

12.5.4. the amount of the financial contribution of LABEL4FUTURE foreseen for the Pilot project;

12.5.5. the geographic location of the activities carried out;

12.5.6. the list of dissemination activities and/or of patent (applications) relating to the Pilot project;

12.5.7. the publishable reports submitted to it, in accordance with Annex 1 and the obligations under this Contract; and

12.5.8. any picture or any audiovisual or web material provided to LABEL4FUTURE during the Project.

12.6. The Beneficiary third-party shall ensure that all necessary authorisations for such publication have been obtained and that the publication of the information by the EC and LABEL4FUTURE does not infringe any rights of non-contractual parties.

12.7. The Beneficiary third-party must participate in dissemination and networking events organized by the EC or LABEL4FUTURE, as specified in Annex 1 and in Annex 1A (for those selected for Stage 2) and the obligations under this Contract.

Information and communication among the Contracting Parties

12.8. Any notice to be given under this Contract shall be in writing to the legal authorities of the Contracting Parties.

12.9. Any change of persons or contact details shall be notified immediately to **Contracting_partner_name** as specified in this Contract.

13. Financial audits and controls

Beneficiary third-party Obligations

13.1. The Beneficiary third-party shall make available directly to the EC or their representatives all information that is required to verify that the Pilot project is/was properly managed and performed in accordance with the present Contract and its Annexes. The EC may carry out an audit during the Contract and up to five (5) years after the termination or expiry of the Contract and after payment of the balance. The EC may audit the financial implementation or technical implementation under the Contract.

13.2. The Beneficiary third-party shall keep originals or, in exceptional cases, duly authenticated copies – including electronic copies - of all documents relating to the Contract for up to five (5) years after the termination or expiry of the Contract and after payment of the balance. These shall be made available to the EC where requested during any audit. These may include employment contract types of personnel, including position, role, contribution to the project; time sheets reflecting how the Beneficiary third-party calculates personal/months efforts based on recorded worked hours; the method of recording working hours.

13.3. The Beneficiary third-party shall ensure that the EC's services and any external body(ies) authorised by it have on-the-spot access at all reasonable times, notably to the Beneficiary third-party's offices, to its computer data, to its accounting data, and to all the information needed to carry out an audit, including information on individual salaries of staff involved in the Project.

13.4. The European Court of Auditors shall have the same rights as the EC, notably right of access, for the purpose of checks and audits, without prejudice to its own rules. In addition, the EC may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the EC in order to protect the European Communities' financial interests against fraud and other irregularities.

13.5. If the audit shows ineligible costs, or improper implementation of the action under the Contract, it may lead to suspension or termination of the Contract by **Contracting_partner_CIKE** and potential rejection of costs.

13.6. In the event that the EC audit rejects any costs and seeks to recover contributions from **Contracting_partner_CIKE** of financial contributions made to the Beneficiary

third-party, the Beneficiary third-party agrees to repay such amounts to ***Contracting_partner_CIKE***

13.7. If the EC suspects that the Beneficiary third-party committed fraud or other illegal acts, it will inform the European Anti-Fraud Office ("OLAF").

14. Termination and Suspension

Termination

14.1. This Contract shall terminate on the completion of the Pilot project.

14.2. ***Contracting_partner_CIKE*** may terminate the Project as per the causes specified in Article 50 of the AGA:

14.2.1. If the EC terminates the LABEL4FUTURE Grant Funding Agreement as per the causes specified in Article 50 of the AGA; or

14.2.2. If the Beneficiary third-party commits a material breach of the Contract as set out in Clause 5.

14.3. The Beneficiary third-party may terminate the Pilot project if ***Contracting_partner_CIKE*** commits a material breach of the Contract.

14.4. A Contracting Party may terminate this Contract in the event that the other Contracting Party is declared bankrupt, being wound up, having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, or is subject to any other similar proceedings or procedures.

14.5. In the event of termination of this Contract in accordance with Clause 14.2, 14.3 or 14.4, all rights acquired by the Contracting Parties and the licences granted by the Contracting Parties to each other, pursuant to this Contract shall continue upon such termination.

Suspension

14.6. In the event that the LABEL4FUTURE Project is suspended by either the EC or the LABEL4FUTURE Consortium as per the causes specified in Article 49 of the AGA, ***Contracting_partner_CIKE*** shall inform the Beneficiary third-party without delay and the Beneficiary third-party agrees to suspend work on the Pilot project until ***Contracting_partner_CIKE*** informs the Beneficiary third-party that the suspension is lifted.

14.7. The Beneficiary third-party agrees that costs incurred during the suspension of the Pilot project are not Eligible Costs as defined in Article 6 of the AGA.

15. Language

15.1. This Contract is drawn up in English language, which shall govern all documents, notices, meetings and related processes.

16. Amendments

16.1. Amendments or changes to this Contract shall be in writing and signed by the duly authorised representatives of the Contracting Parties.

16.2. Nevertheless, in the event the EC modifies the conditions of its grant to **Contracting_partner_CIKE**, **Contracting_partner_CIKE** has the right to amend the Contract accordingly.

17. Applicable law

17.1. This Contract is governed by Slovak law. Any and all disputes concerning this Contract, the interpretation and enforcement thereof shall be submitted exclusively to the Courts of Košice.

18. Settlement of disputes

18.1. The Contracting Parties shall endeavour to settle their disputes amicably.

18.2. Any dispute, controversy or claim arising under, out of or relating to this Contract and any subsequent amendments of this Contract, including, without limitation, its formation, validity, binding effect, interpretation, performance, breach or termination, as well as non-contractual claims, may be submitted to mediation in accordance with the WIPO Mediation Rules. The place of mediation shall be Košice unless otherwise agreed upon. The language to be used in the mediation shall be English unless otherwise agreed upon.

18.3. If, and to the extent that, any such dispute, controversy or claim has not been settled pursuant to the mediation referred to in Clause 18.2 within 60 calendar days of the commencement of the mediation, the courts of Košice shall have exclusive jurisdiction. Nothing in this contract shall limit the Parties' right to seek injunctive relief in any applicable competent court.

19. Miscellaneous

19.1. In the event of any conflict between, or interpretation problem regarding the provisions contained in the Contract on the one hand, and its Annexes on the other hand, the following order of precedence will govern unless otherwise stated:

The Contract;

Annex 1, 2, 3, 4, 5, 6, 7, 8, 9, 10

19.2. The failure of a Contracting Party to enforce at any time any of the provisions of the Contract shall in no way be construed to be a waiver of any such provision, nor in any way to

affect the validity of the Contract or any part hereof or the right of such Contracting Party thereafter to enforce each and every such provision. No waiver of any breach of (or non-compliance with) the Contract shall be held to be a waiver of any other or subsequent breach or non-compliance. No waiver or discharge of the Contract shall be valid unless in writing and signed by the Contracting Party against which such waiver or discharge is sought to be enforced.

19.3. In the event that any provision of the Contract shall be determined to be (partially or totally) void and/or unenforceable by any court or body of competent jurisdiction or by virtue of any legislation to which it is subject or by virtue of any other reason whatsoever, it shall be void or unenforceable to that extent only and no further and the validity and enforceability of any of the other provisions herein shall not be affected thereby. The Contracting Parties shall substitute for any totally or partially invalid and/or unenforceable provision a suitable valid provision which comes nearest to the Contracting Parties' intentions at the moment of signature of the Contract.

19.4. Neither Contracting Party may assign to a non-contractual party any of its rights and obligations under the Contract.

Signed in two originals, each party acknowledging having received one original

For and on behalf of

Name:

Capacity:

Signed in KOSICE

Date 30.0.2010

Signature:

For and on behalf of

Contracting_partner_CIKE

Name: MICHAL HLADKY

Capacity: EXECUTIVE DIRECTOR

Signed in KOSICE

Date

Signature: