



Annex IV – Model Sub-Grant Agreement

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Contracting parties

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

On the one part,

BSO/DMO _____, PIC N. _____, established in _____ represented for the purposes of signing the Agreement by _____, (role _____), acting on behalf of the SMARTIES FOR SMES consortium.

Hereinafter referred to as the "BSO",

And, on the other part,

_____ [Organisation name/ Individual name]
established in _____, [Official address], VAT number
_____, represented for the purposes of signing the Agreement by
_____ [Name of legal representative],

Hereinafter referred to as the “Beneficiary”.

Hereinafter, all parties above are collectively referred to as the “Contracting Parties”

The Contracting Parties **HAVE AGREED** to the following terms and conditions including those in the following Annexes, which form an integral part of this Sub-Grant Agreement (hereinafter referred as the “Contract”).

General Provisions

The European Commission (hereinafter referred as the “EC”) and each Business Support Organisation (BSO), as partner and representative of the SMARTIES for SMEs consortium, have signed the Grant Agreement no. 101121576 for the implementation of the SMARTIES for SMEs project – Pills of Sustainable, Smart, Regenerative Tourism to Empower SMEs in the tourism sector in the EU Mediterranean area – within the framework of the SMP-COSME-2022-TOURSME.

The SMARTIES FOR SMES project is implemented by the CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO AGRICOLTURA TOSCANA NORD-OVEST (CoC TNO), as coordinator of the SMARTIES FOR SMES project, in collaboration with the other SMARTIES FOR SMES partners, according to what set out in the Grant Agreement (GA) n.101121576, valid from 16/09/2023 to 15/09/2026.

The objective of SMARTIES FOR SMES is to enhance the competitiveness of SMEs in the tourism sector in the EU Mediterranean area, by building capacity of SMEs to successfully carry out the twin green and digital transition, and to boost innovation, resilience, sustainability and quality along the tourism value chain.

The Beneficiary has been selected for funding under the SMARTIES FOR SMES Call for Innovative Projects based on the positive evaluation of evaluators.

This Contract aims at defining the framework of rights and obligations of the Contracting Parties with respect to the Beneficiary’s participation in the SMARTIES FOR SMES Call for Innovative Projects.

The funding to be received by the Beneficiary is property of the EC. The BSO is a mere holder and manager of the funds.

The Sub-Grant is an action grant which takes the form of a lump sum grant for the completion of the activities (work packages), as detailed in the Application Form filled in by the Beneficiary (Annex II – A and B).

Article 1 - Entry into force and termination of the contract

Entry into force

This Contract will enter into force on the day of its signature by the last Contracting Party. The BSO will sign this contract only after all the following documents have been received from the Beneficiary:

- The original signed Declaration(s) of Honour (as provided in Annex III).
- Bank Account Information form (as provided in Annex V).

All documents, properly signed and stamped (if applicable), shall be sent to the BSO, to the following email / contact : _____

The Beneficiary is requested to send all requested documents in a single e-mail and with adequate identification (e-mail subject):

SMARTIES FOR SMES Call for Innovative Projects – [ID Project _____] documentation.

After receipt and validation of the documentation, the Beneficiary will receive a sub-grant agreement (contract) for signature. The Beneficiary is solely responsible for the accuracy of all data provided. The contact details of the Beneficiary for notices and communication under this contract are:

Name of contact person _____

Address _____

E-mail _____

Telephone/ mobile phone _____

1.2. Contract termination

This Contract will automatically terminate at the end of the Innovative Project, which will happen when the Beneficiary has fulfilled all obligations in Article 2, except for those obligations that according to their content are intended to remain in effect, which keep their full force and effect.

The BSO shall be entitled to terminate this Contract by written notice with immediate effect if the Beneficiary does not fulfil its obligations (see Article 3 - Breach of Contractual obligations).

Irrespective of the automatic termination of this Contract under present Article 1.2 or any early termination under Article 4, all obligations that according to their content are intended to be in effect for longer shall remain in effect.

Article 2 - Obligations and responsibilities of the Beneficiary

The obligations and responsibilities are defined in detail in the Call for Innovative Projects. Additionally, the Beneficiary shall take every necessary precaution to avoid any risk of conflict of interest relating to economic interests, political or national affinities, personal or any other interests liable to influence the impartial and objective performance of the sub-project. In case the Beneficiary is involved in a conflict of interest or in a risk of conflict of interest, the Beneficiary must formally notify this situation to the BSO without delay and immediately take all the necessary steps to rectify this situation.

Furthermore, the Beneficiary shall provide true and accurate documentation and declarations as defined in Article 1.1.

Article 3 - Breach of contractual obligations

In the event of a breach of the contractual obligation's representations or warranties by the Beneficiary under this Contract, the BSO, in coordination with the SMARTIES FOR SMES Consortium, reserves the right to terminate the Contract by written notice with immediate effect, even if such non-fulfilment is due to Force Majeure.

In the event of the breach of the contractual obligations by the Beneficiary, the BSO reserves the right of not fulfilling the respective payment to the Beneficiary.

The BSO also reserves the right to claim a refund of any already paid funds, both in case of breach of contract and/or in case the work/costs are not approved by the EC.

The BSO will give written notice requiring that such breach to be remedied within 30 days. In case the Beneficiary has not brought remedies from the notice, the BSO may decide to terminate the contract unilaterally.

Article 4 – Financial contribution and financial provisions

4.1 Maximum financial contribution

The maximum financial contribution to be granted to the Beneficiary shall not exceed the amount of **twenty-five thousand euros (25 000)**.

The estimated budget for the action (lump sum breakdown) is set out in the Application Form and Budget (Annex II). It contains the estimated eligible contributions for the action (lump sum contributions), broken down by activity.

4.2 Payment schedule and distribution of the financial contribution

The financial contribution to be granted to the Beneficiary will be calculated and distributed in accordance with the provisions set in the Call for Innovative Projects.

The financial grant to be paid will always be subject to the provision by the Beneficiary of a Progress Report (Annex VI) and a favourable review by the SMARTIES FOR SMES internal evaluation team responsible for assessing the sub-project in each of the stages and related conditions. Checking the consistency between the estimated costs and resources and the expected work of the project will also be included in the evaluation process. If requested, the Beneficiary will have to present any documentation for the costs claimed.

The payment of the lump sum will be done directly by the BSO to the Beneficiary in the form of bank transfer, following the timeline outlined in the Call:

Indicative timeline	
Project start	1 st March 2025 (date of signature of SGA)
Kick-off check	30 th April 2025 – The expert assigned to the project will check that its kick-off activities have been implemented, that a management structure is in place and that planning of activities is adequate. A first pre-payment of 25% of the grant is delivered.
1 st progress report	31 st August 2025 – Projects will submit a first progress report giving evidence of activities, outputs and results achieved so far. If the report is approved by the BSO, a second payment of 25% of the grant is delivered.
2 nd progress report	28 th February 2026 – Projects will submit a second progress report giving evidence of activities, outputs and results achieved so far. If the report is approved by the BSO, a third payment of 25% of the grant is delivered.
Final report	31 st May 2026 – Projects will submit a final report giving evidence of activities, outputs and results achieved by the end of the project. If the report is approved by the BSO, the final payment of the remaining grant (25%) is delivered.

Note: A non-favourable review of the work carried out at the end of any stage may lead to the early termination of the contract and suspension of payments. If at any of the payment stages, the SMARTIES FOR SMES team considers

that the quality of work demonstrated and/or reported does not correspond to what has been agreed, the two parties may agree to a resubmission of a deliverable and respective reassessment. If significant improvements are not delivered after the reassessment and the sub-project is therefore considered to be in breach of their contractual obligations, SMARTIES FOR SMES reserves the right to terminate the contract as outlined in Article 3 – Breach of contractual obligations.

The BSO reserves the right to withhold the payments in case the Beneficiary does not fulfil its obligations and tasks as per Call for Innovative Projects and Annex I and Annex II. Payments will be released no later than thirty (30) calendar days after the notification by the BSO to the Beneficiary that the work and deliverable associated to a particular stage has been approved. All payments will be made in Euros.

Banking and transaction costs related to the handling of any financial resources made available to the Beneficiary will be covered by the Beneficiary.

The Beneficiary is responsible for complying with any tax and legal obligations that might be attached to this Contract. The Beneficiary is responsible to distribute the sum received to other partners of the projects according to the project Budget (Annex II B).

Article 5 – Liability

5.1 Liability of the Beneficiary

The Beneficiary shall fully and exclusively bear the risks in connection with the fulfilment of its tasks and obligations under this Contract. Except in case of force majeure (Article 8), the Beneficiary must compensate the BSO and the EC for any damage they sustain because of the implementation of the obligations of the Beneficiary under this Contract or because the tasks and obligations of the Beneficiary were not implemented in full compliance with this Contract.

Accordingly, neither SMARTIES FOR SMES Consortium nor the EC can be held liable for any damage caused to the Beneficiary or to third parties because of implementing this Contract, including for gross negligence. At the same time, neither SMARTIES FOR SMES consortium nor the EC can be held liable for any damage caused by the Beneficiary or third parties, because of implementing this Contract.

The Beneficiary shall bear sole responsibility for ensuring that its acts within the framework of this Contract do not infringe third parties' rights. There is no joint liability between the Contracting Parties. For this purpose, the Beneficiary shall indemnify and hold the BSO and the EC harmless from and against all repayments, loss, liability, costs, charges, claims or damages which the BSO or the EC as a result thereof would incur or suffer or must pay to the EC or any third parties. In addition, should the EC have a right of recovery against SMARTIES FOR SMES consortium regarding any or all the financial support granted under this Contract, the Beneficiary shall repay the sums in question in the terms and on the date specified by the BSO.

5.2 Exclusions of liability

To the extent acceptable under applicable law, in no event shall the BSO or other SMARTIES FOR SMES consortium partners be liable to the Beneficiary for loss or damage caused by the BSO or the SMARTIES FOR SMES consortium partners, their employees, agents and subcontractors in connection with this Contract for any of the following, however caused or arising, on any theory of liability, and even if the BSO and/or any other SMARTIES FOR SMES consortium partner were informed or aware of the possibility thereof:

- Loss of profits, revenue, income, interest, savings, shelf-space, production, and business.
- Opportunities; lost contracts, goodwill, and anticipated savings.
- Loss of or damage to reputation or to data.
- Costs of recall of products.
- Any type of indirect, incidental, punitive, special, or consequential loss or damage.

In respect of any information or materials from the SMARTIES FOR SMES consortium made available to the Beneficiary under this Contract, no warranty or representation of any kind is made, given, or implied as to the sufficiency, error-free performance, or fitness for purpose, nor as to the absence of any infringement of any proprietary rights of third parties.

Therefore, in particular, but without limiting the foregoing:

- The Beneficiary shall in all cases be entirely and solely liable for the use to which it puts such information and materials, and the consequences of such use, and neither the BSO, the EC nor the other SMARTIES FOR SMES consortium partners shall be liable vis-à-vis the Beneficiary in case of infringement of proprietary rights of a third party resulting from the Beneficiary's use of the information and material.

The exclusions and limitations stated in this Article and any other clause of this Contract that has as its object or effect the exclusion or limitation of liability, shall not apply in respect of any: fraud; death, injury to natural persons or damage to real or immovable property caused by the negligence or wilful act, wilful misconduct, wilful breach; or otherwise in so far as mandatory applicable law overrides such exclusions and limitations.

Article 6 – Confidentiality

6.1 Principles

Regarding all information of whatever nature or form as is disclosed between the Contracting Parties in connection with the Sub-project and identified in writing as confidential, the terms of this Article shall apply.

6.2 Obligations

All information, in whatever form or mode of communication, which is disclosed by a Contracting Party (the “Disclosing Party”) to the other Contracting Party (the “Recipient”) in connection with the implementation of the SMARTIES FOR SMES Call for Innovative Projects and which has been explicitly marked as “confidential” at the time of disclosure, or, when disclosed orally, has been identified as confidential at the time of disclosure and has been confirmed and designated in writing within 15 calendar days from oral disclosure (at the latest) as confidential information by the Disclosing Party, is “Confidential Information”.

The Recipient hereby accepts, in addition and without prejudice to any commitment on nondisclosure towards the EC, for a period of 5 (five) years after the end of the Contract:

- Not to use Confidential Information other than for the purpose for which it was disclosed.
- Not to disclose Confidential Information without the prior written consent by the Disclosing Party.
- To ensure that internal distribution of Confidential Information by a Recipient shall take place on a strict need-to-know basis.
- To return to the Disclosing Party, or destroy, on demand, all Confidential Information that has been disclosed to the Recipient, including all copies and to delete all information stored in a machine-readable form to the extent practically possible.

The Recipient may keep a copy to the extent it is required to keep, archive, or store such Confidential Information because of compliance with applicable laws and regulations or for the proof of on-going obligations provided that the Recipient complies with the confidentiality obligations herein contained with respect to such copy for as long as the copy is retained.

The Recipient shall be responsible for the fulfilment of the above obligations on the part of their employees or third parties involved in the implementation of SMARTIES FOR SMES Call for Innovative Projects and shall ensure that they remain so obliged, as far as legally possible, during and after the end hereof and/or after the termination of the contractual relationship with the employee or third party. The Recipient shall apply the same degree of care regarding the Confidential Information disclosed within the scope of the project as with its own confidential and/or proprietary information, but in no case less than reasonable care. Each Contracting Party shall promptly advise the other Contracting Party in writing of any unauthorised disclosure, misappropriation, or misuse of Confidential Information after it becomes aware of such unauthorised disclosure, misappropriation, or misuse.

6.3 Exceptions to the obligation of confidentiality

The information above (Article 6.2) shall not apply for disclosure or use of Confidential Information, if and in so far as the Recipient can show that:

- The Confidential Information has become or becomes publicly available by means other than a breach of the Recipient's confidentiality obligations. The Disclosing Party subsequently informs the Recipient that the Confidential Information is no longer confidential.
- The Confidential Information is communicated to the Recipient without any obligation of confidentiality by a third party who is to the best knowledge of the Recipient in lawful possession thereof and under no obligation of confidentiality to the Disclosing Party.
- The disclosure or communication of the Confidential Information is foreseen by provisions of the Grant Agreement.
- The Confidential Information, at any time, was developed by the Recipient completely independently of any such disclosure by the Disclosing Party.

- The Confidential Information was already known to the Recipient prior to disclosure.
- Disclosure of the Confidential Information follows mandatory applicable laws or regulations or with a court or administrative order.

6.4 Authorised disclosure(s)

If any Party becomes aware that it will be required, or is likely to be required, to disclose Confidential Information to comply with applicable laws or regulations or with a court or administrative order, it will, to the extent it is lawfully able to do so under the laws and legislation applicable to said Party, prior to any such disclosure:

- Notify the Disclosing Party, and
- Comply with the Disclosing Party's reasonable instructions to protect the confidentiality of the information.

The SMARTIES FOR SMES BSO's disclosure of Confidential Information to the EC and/or the other SMARTIES FOR SMES consortium partners shall be governed exclusively by the terms of the Grant Agreement and/or the Consortium Agreement.

Accordingly, nothing in this Contract shall prevent the SMARTIES FOR SMES BSO from complying with its obligations, including its reporting obligations, towards the EC and the other SMARTIES FOR SMES consortium partners, and any such disclosures shall be subject to the terms of the Grant Agreement or Consortium Agreement.

Likewise, the Beneficiary agrees and acknowledges that the EC shall be entitled to disclose Confidential Information to its staff, other EU institutions and bodies or third parties, if:

- This is necessary to implement the Grant Agreement or safeguard the EU's financial interests.
- The recipients of the information are bound by an obligation of confidentiality.

Article 7 - Intellectual property rights

The Beneficiary acknowledges that all tools, modules and similar of the SMARTIES FOR SMES partners are proprietary and owned by the respective SMARTIES FOR SMES partner or applicable third party.

Nothing in this Contract shall transfer to the Beneficiary or other partners it represents any licence or other rights for the use of the tools, modules and similar that are property of a SMARTIES FOR SMES partner, unless a specific agreement is established.

The results developed during the sub-project shall be exclusively the property of the Beneficiary. This does not exclude the possibility for specific agreements to be made between the Beneficiary and one or more of the partners of SMARTIES FOR SMES.

Article 8 - Force Majeure

"Force Majeure" means any unforeseeable exceptional situation or event beyond the Contracting Parties control, which prevents either of them from fulfilling any of their obligations under the Agreement, which was not attributable to error or negligence on their part and which proves to be inevitable despite 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.

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.

No Contracting Party shall be in breach of its obligations and tasks if such a 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 the Beneficiary is not able to overcome the consequences of Force Majeure within thirty calendar (30) days after such notification, the SMARTIES FOR SMES BSO will decide accordingly, including the termination of the Contract.

Article 9 - Information and communication

9.1 Information and communication towards the EC

The Beneficiary shall, throughout the duration of the sub-project, take appropriate measures to engage with the public and the media about the sub-project and **to highlight the financial support of the EC and the SMARTIES FOR SMES project.**

Unless the EC requests otherwise, any publicity, including at a conference or seminar or any type of information or promotional material (brochure, leaflet, poster, presentation etc.), and any infrastructure, equipment, and major results must:

- Specify that the sub-project has received funding from the EC through the SMARTIES FOR SMES project.
- Display the European emblem along with the SMARTIES FOR SMES logo. When displayed in association with a logo, the European emblem should be given appropriate prominence. This obligation to use the European emblem in respect of projects to which the EC contributes implies no right of exclusive use. It is subject to general third-party use restrictions which do not permit the appropriation of the emblem, or of any similar trademark or logo, whether by registration or by any other means. Under these conditions, the Beneficiary is exempt from the obligation to obtain prior permission from the EC to use the emblem.
- Specify that it reflects only the author's views and that the EC and the SMARTIES FOR SMES Consortium is not liable for any use that may be made of the information contained therein. The following text should be used:

"The [id-project number] has indirectly received funding from the European Union's Single Market program, via the SMARTIES FOR SMES Call for Innovative Projects issued and executed under the SMARTIES FOR SMES project (Grant Agreement no. 101121576)."

The BSO, the SMARTIES FOR SMES consortium, and/or the EC shall be authorised to publish, in whatever form and on or by whatever medium, the following information:

- The name of the Beneficiary.
- Contact address of the Beneficiary.
- The general purpose of the sub-project (publishable summary, etc.)
- The amount of the financial contribution of the EC foreseen for the sub-project. after the final payment, the amount and rate of the financial contribution of the EC accepted by the EC.
- The estimated amount and rate of the financial contribution of the EC foreseen for the Beneficiary in the table of the estimated breakdown of budget.
- The geographic location of the activities carried out.
- The list of dissemination activities and/or of patent (applications) relating to foreground.
- The publishable reports submitted (technical reports are excluded, since they are confidential).
- Any picture or any audio-visual or web material provided to the EC in the framework of the Sub-project.

The Beneficiary shall ensure that all necessary authorisations for such publication have been obtained and that the publication of the information by the SMARTIES FOR SMES BSO, the SMARTIES FOR SMES consortium partners, or EC does not infringe any rights of third parties.

Upon a duly supported request by the BSO on behalf of the Beneficiary, the EC may agree to forego such publicity if disclosure of the information indicated above would risk compromising the beneficiary's security, academic or commercial interests.

9.2 Information and communication among the Contracting Parties

Any notice to be given under this Contract shall be in writing to the addresses and recipients listed above.

Any change of persons or contact details shall be notified immediately to the SMARTIES FOR SMES BSO. The address list shall be made accessible to all parties concerned.

Article 10 - Checks and reviews

The EC may, at any time during the implementation of the sub-project and up to five years after the end of the sub-project, arrange for a check and review to be carried out, by external auditors, or by the EC services themselves, including the European Anti-Fraud office (OLAF). The procedure shall be deemed to be initiated on the date of receipt of the relevant letter sent by the EC.

There will be no financial checks, reviews, or audits to check costs, since beneficiaries have no obligation to document the costs incurred for the action. Checks, reviews, and audits will focus on the technical implementation of the action.

The Beneficiary shall make available directly to the EC all information and data that may be requested by the EC or any representative authorised by it, in view of verifying that the Grant Agreement is properly managed and performed in accordance with its provisions.

The Beneficiary shall keep the originals or, in exceptional cases, duly authenticated copies (including electronic copies) of all documents related to the Grant Agreement for up to five years from the end of the sub-project. These shall be made available to the EC when requested during any check under the Grant Agreement. To carry out these checks, the Beneficiary 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's offices, to its computer data, and to all the information needed to carry out those checks. They shall ensure that the information is readily available on the spot during an audit and, if so requested, that data be handed over in an appropriate form.

Based on the findings made during the check, a provisional report shall be drawn up. It shall be sent by the EC or its authorised representative to the Beneficiary concerned, which may make observations thereon within one month of receiving it. The EC may decide not to take into account observations conveyed or documents sent after that deadline. The final report shall be sent to the Beneficiary concerned within two months of expiry of the aforesaid deadline.

Based on the conclusions of the check, the EC shall take all appropriate measures which it considers necessary, including the issuing of recovery orders regarding all or part of the payments made by it and the application of any applicable sanction.

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 to protect the European Communities' financial interests against fraud and other irregularities.

Article 11 – Data protection

The Contracting Parties have the obligation to abide by the Regulation (EU) 2016/679 (General Data Protection Regulation – GDPR) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons regarding the processing of personal data and on the free movement of such data.

Each Contracting Party shall each be considered a separate and independent data controller, as defined in the GDPR, to every other Contracting Party. The processing of personal data shall be carried out lawfully, fairly and

in a transparent manner, collected for specific purposes and adequate, relevant, and limited to what is necessary in relation to the purposes for which it is processed. Where it might be designated by a relevant Supervisory Authority or through agreement between Contracting Parties that the SMARTIES FOR SMES BSO and any other SMARTIES FOR SMES consortium partners are appointed as data processors, parties shall enter into appropriate data processing agreements as required by the GDPR.

The Beneficiary acknowledges that the SMARTIES FOR SMES BSOs and any other SMARTIES FOR SMES consortium partners, if appointed as data processors, are not responsible for the Beneficiary's compliance with any data protection or privacy law applicable to the Beneficiary. Each of the Contracting Parties, in their respective roles as data controllers, will be responsible for their own compliance with any data protection or privacy law applicable to them as data controller.

Article 12 - Obligations imposed by the Grant Agreement to the Beneficiary

The Beneficiary receives funding from the European Commission for carrying out the sub-project _____ [sub-project ID]. Under the Grant Agreement or the Consortium Agreement, some of the obligations must be imposed on the Beneficiary. Those obligations are reflected in this Agreement.

Article 13 – Miscellaneous

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

The Beneficiary shall not be entitled to act or to make legally binding declarations on behalf of the BSO or any other SMARTIES FOR SMES consortium partner, and nothing in this Contract shall be deemed to constitute joint venture, agency, partnership, interest grouping or any other kind of formal business grouping or entity between the Contracting Parties or between the Beneficiary and any SMARTIES FOR SMES consortium partner.

No rights or obligations of the Beneficiary arising from this Contract may be assigned or transferred, in whole or in part, and no obligations of the Beneficiary may be sub-contracted, without the BSO's prior formal written approval; and such approval shall not exempt the Beneficiary from any of its obligations hereunder.

Although (with exception to the BSOs) the SMARTIES FOR SMES consortium partners and their affiliated entities are not Contracting Parties to this Contract, they are intended by the Contracting Parties to be third party beneficiaries under this Contract and accordingly shall be entitled to enforce the terms of this Contract against the Beneficiary and (without limitation) shall be entitled to the benefit of, and to enforce any exclusion of limitation of liability of the SMARTIES FOR SMES consortium partners contained in this Contract and any indemnity in favour of the SMARTIES FOR SMES consortium partners contained in this Contract.

Amendments and modifications to the text of this Agreement require a separate written agreement to be signed between all Parties. Although this Contract refers to the provisions of the CA and the GA, the Beneficiary is not a party to the CA or the GA but only bound towards the BSO by the CA and GA provisions as referred or reproduced in this Contract.

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

Article 14 - Applicable Law

This Contract shall be construed in accordance with and governed by the laws of _____ (BSO country).

Article 15 - Settlement of disputes

If the Contracting Parties are unable to resolve a dispute amicably, such dispute will be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators in _____ (BSO country/town)

Each of the Contracting Parties to the dispute shall appoint one (1) arbitrator and the two (2) arbitrators so appointed shall elect the presiding arbitrator. Should a Party to the dispute which should appoint an arbitrator fails to do so within fourteen (14) days of the delivery of the written notice to do so from the other Party to the dispute or should the appointed arbitrators fail to reach agreement on the presiding arbitrator within fourteen (14) days after their appointment, such arbitrator shall be appointed in accordance with the Rules upon request of any of the Parties to the dispute.

The seat of arbitration shall be _____ (BSO country/town).

The Contracting Parties agree that the language of the arbitration, including oral hearings, written evidence, and correspondence shall be _____ (BSO local language).

A duly rendered arbitration award shall be final and binding on the Contracting Parties to the dispute. Each Contracting Party to the arbitration conducted in accordance with this section hereof shall bear its own expenses incurred in connection with such arbitration, including fees of its legal counsels. All other costs and expenses shall be apportioned between the Contracting Parties to the arbitration in accordance with the decision of the arbitrators.

Nothing in this Contract shall limit the Contracting Parties right to seek injunctive relief or to enforce an arbitration award in any applicable competent court of law.

Article 16 – No double funding

By signing this Agreement, the Beneficiary declares to be aware of the fundamental principle underpinning the rules for public expenditure in the EU that no costs for the same activity be funded twice from the EU budget, as defined in the Article 111 of Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002 on the Financial Regulation, and confirms that all the work performed under SMARTIES FOR SMES (Grant Agreement no. 101085887) will be done exclusively in the scope of this programme, not being supported or funded by any other European Commission programme.

AS WITNESS:

The Contracting Parties have caused this Contract to be duly signed by the undersigned authorised representatives **in two (2) copies** the day and year first above written:

(BSO)

Mr/Mrs

Head of BSO/DMO

Signature

For _____ [organization/ individual name] (the Beneficiary)

Mr/Ms _____

[NAME SURNAME]

[POSITION_IN_ORGANISATION]

Signature

Annexes to the Sub-Grant Agreement

Call for Innovative Projects

Annex II – Project Application Form and Budget (Part A and B)

Annex III - Declaration of Honour

Annex V – Bank Account Information Form

Annex IV – Model Progress Report