**GRANT AGREEMENT**

**Regarding the Partnership between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**For the “CirCoAX Programme (by CircularInnoBooster)”**

1. The Association with the legal name **«Istituto Europeo di Design (IED)»** that is established in Madrid (CL LARRA 14, MADRID 28004, Spain), with VAT No ESB80813959, A’ Tax Office of Spain and that is legally represented by José Francisco García, hereinafter referred to as **«CircularInnoBooster Project Coordinator»,**
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(name)*, with registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(address)*, VAT/Registration No \_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter to be referred to as **«Project Leader» and/or «Beneficiary»,** in this matter duly represented by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

WHEREAS:

(a) CircularInnoBooster Fashion and Textile (F&T) Project (Agreement No: 958135) is a project funded by COSME, the European Union programme for the Competitiveness of Enterprises and small and medium-sized enterprises.

The CircularInnoBooster project is launching a unique business support scheme under CirCoAX Programme.

During a period of 8 month, CirCoAX programme (by CircularInnoBooster) is designed to transform businesses in the F&T industry into regenerative, circular and sustainable ones by applying a progressive and innovative approach. It has a holistic approach to the circular economy based on the principles of regenerative business design, people-centred design and models of community engagement. The objective is to implement the widest application of circularity, considering the environmental, social and economic dimensions in a balanced way.

(b) The Beneficiary \_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_ *(add name of participants)* have submitted the project proposal, titled \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, attached as ANNEX I to this Agreement (**«Project Proposal»**). The Project Proposal has been selected by the Steering Board with decision of \_\_/\_\_/\_\_\_\_;

(c) The Beneficiaries have already signed a Partnership Project Agreement on \_\_/\_\_/\_\_\_\_;

(d) The Beneficiary of the Agreement under (c) have designated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as a Project Leader, here to be considered also as the Beneficiary on behalf of the Parties under (c);

(e) The Parties now wish to lay down in writing the terms and conditions for the execution of the Grant Agreement.

HAVE AGREED AS FOLLOWS:

**ARTICLE 1 - PURPOSE OF THE GRANT**

1.1 IED, representing the CircularInnoBooster Project Consortium, awards the Grant, under the terms and conditions set out in this Agreement, which the beneficiary hereby declares that has taken note of and accepts, for the CirCoAX Programme (by CircularInnoBooster) (**«Τhe Project»**).

1.2 The beneficiary accepts the grant and undertakes to do everything in his power to carry out the Project acting on his own responsibility.

**ARTICLE 2 - DURATION**

2.1 The agreement shall enter into force on the date when the last of the two parties signs for a maximum of 8 months according to the CirCoAX Programme (by CircularInnoBooster) with the possibility to extend the duration for 2 more months if needed for the completion of The Project.

**ARTICLE 3 - FINANCING THE PROJECT**

3.1 The total eligible funds of the Project for which IED on behalf of CircularInnoBooster Project Consortium awards as grant, is estimated at Euro 12.000,00.

**ARTICLE 4 - PAYMENT ARRANGEMENTS**

4.1 Pre-financing:

Within 30 days after the date when the last of the two parties signs the Partnership Project Agreement, a pre-financing payment representing 30% of the amount specified in Article 3.1. shall be made to the beneficiary.

The submission of the below documents is required in order for the Beneficiary to receive the pre-financing payment:

* Signed Grant Agreement by the Project Leader
* Partnership Agreement signed by all partners of the project
* Profit & Loss account or Financial Identification form of Project Leader
* Legal Entity Form of Project Leader

4.2 Interim payment:

A second payment after acceptance of the Interim Technical Report and a request for payment to be delivered on \_\_/\_\_/\_\_\_\_ representing 30% of the amount specified in Article 3.1., shall be made to the beneficiary. The report will contain the technical specifications of processes towards the product, service or business model with scale up potential for sustainable or circular fashion to be developed.

IED shall have 40 days to approve or reject the documents in question or to request additional supporting documents or information. In that case the beneficiary shall have 15 days to submit the additional information or new documents requested.

A payment representing the interim payment of the grant shall be made to the beneficiary within 30 days following approval by IED of the technical implementation report accompanying the request for payment of the interim report.

4.3 Payment of the balance

The request for payment of the balance shall be accompanied by the final technical implementation report and financial statement related to the Project to be submitted on \_\_/\_\_/\_\_\_\_. This report will include the final proof of concept of the product, service or business model -with high scale up potential for the sustainable or circular fashion- developed within the project.

IED shall have 30 days to approve or reject the documents in question or to request additional supporting documents or information. In that case the beneficiary shall have 15 days to submit the additional information or new documents requested.

A payment representing the 40% balance of the grant shall be made to the beneficiary within 30 days following approval by IED of the technical implementation report accompanying the request for payment of the balance.

The beneficiary and the Pilot Project partners shall also have executed the following obligations as defined in the Open Call document and described below:

* Participation in the midterm & final evaluation;
* Participation in the tailored coaching programme;
* Participation in support activities such as networking events, webinars, matchmaking events, fashion events, summits and conferences;
* Contribute to the communication and dissemination activities of CirCoAX Programme (by CircularInnoBooster)

Payments shall be made to the beneficiary's bank account in Euro, as indicated below:

Account holder: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Account number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

IBAN: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BIC: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ARTICLE 5 - SUBMISSION OF REPORTS AND OTHER DOCUMENTS**

The technical and financial implementation reports and other documents must be submitted in writing, by email, by the following deadlines:

1st A two-way interview with the assigned mentor at month 3 to report progress with the project and review the project plan. \_\_/\_\_/\_\_\_\_

2nd Report: Interim Technical & Financial Report. \_\_/\_\_/\_\_\_\_

3rd Report: Final Technical & Financial Report. \_\_/\_\_/\_\_\_\_

Beneficiaries will have a maximum of 30 days after the end of the reporting period to prepare and submit the reports.

**ARTICLE 6 - DOCUMENTATION & COMMUNICATION**

The Beneficiary agrees to:

* document all activities held as part of the CirCoAX Programme (by CircularInnoBooster).

Documentation may take the form of -without being limited to- list of participants, meeting minutes, screen prints, papers, compositions, photos, and videos.

* promote the Pilot Project activities on social media (minimum Twitter and Facebook, if the Recipient has an existing account) and to respect the following guidelines
  + social media posts should contain the hashtag #........................
  + social media posts should contain these handles

Facebook: @.............................. and @................................

Twitter: @................................., #…………………………. and @..............................

Instagram: #..................................

* give prominence to the name and emblem of the European Union as well as the CirCoAX by CircularInnoBooster logo in all documentation and information materials, announcements, productions, leaflets, posters, via social media etc., and any infrastructure, equipment or major result funded by the grant (logos provided by IED).

In addition, include the following text:

“With the contribution of the COSME Programme of the European Union”.

When displayed in association with another logo, the EU emblem must have appropriate prominence.

* authorise the unlimited use of all documented materials in the context of CirCoAX Programme (by CircularInnoBooster).

**ARTICLE 7 - GENERAL ADMINISTRATIVE PROVISIONS**

Any communication in connection with this agreement shall be in writing, indicating the name of the agreement, and shall be sent to the following addresses:

For IED:

CL LARRA 14, MADRID 28004, SPAIN

e-mail: info@circoax.eu

For the beneficiary:

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ARTICLE 8 - LAW APPLICABLE AND COMPETENT COURT**

The grant is governed by the terms of the agreement, the Community rules applicable and, on a subsidiary basis, the Spanish Law.

If any dispute arises between any of the Parties, such Parties shall use reasonable effort to solve the dispute before going to court.

Any dispute, resulting from this Agreement, or further agreements resulting there from which do not stipulate otherwise, which has not been solved by the Parties in accordance with the previous provision, shall be submitted to the competent Court in Madrid.

**ARTICLE 9 - LIABILITY**

The beneficiary shall have sole responsibility for complying with any legal obligations incumbent on him.

IED shall not, in any circumstances or on any grounds, be held liable in the event of a claim under the agreement relating to any damage caused during the Project's execution.

The beneficiary shall bear sole liability vis-a-vis third parties, including for damage of any kind sustained by them while the Project is being carried out.

**ARTICLE 10 - CONFLICT OF INTERESTS**

The beneficiary undertakes to take all the necessary measures to prevent any risk of conflict of interests , which could affect the impartial and objective performance of the agreement. Such conflict of interests could arise in particular as a result of economic interests, political or national affinity, family or emotional reasons, or any other shared interests.

Any situation constituting or likely to lead to a conflict of interests during the performance of the agreement must be brought to the attention of IED, in writing, without delay.

**ARTICLE 11 - OWNERSHIP/USE OF THE RESULTS**

Unless stipulated otherwise in this agreement, ownership of the results of the CirCoAX Programme (by CircularInnoBooster), including industrial and intellectual property rights, and of the reports and other documents relating to it shall be vested in Participants to CirCoAX Programme (by CircularInnoBooster).

Without prejudice to paragraph 1, the beneficiary grants COSME, IED and the CircularInnoBooster Project Consortium the right to make free use of the results of the CirCoAX Programme (by CircularInnoBooster) as it deems fit, provided it does not thereby breach its confidentiality obligations or existing industrial and intellectual property rights.

**ARTICLE 12 - CONFIDENTIALITY**

IED and the beneficiary undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the agreement that is duly classed as confidential, if disclosure could cause prejudice to the other party. The parties shall remain bounded by this obligation beyond the closing date of the CirCoAX Programme (by CircularInnoBooster).

**ARTICLE 13 - Exclusion**

The authorising officer shall exclude an applicant from participating in call for proposals procedures where:

(a) the applicant is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under EU or national laws or regulations;

(b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;

(c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful intent or gross negligence, including, in particular, any of the following:

(i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the performance of a contract, a grant agreement or a grant decision;

(ii) entering into agreement with other applicants with the aim of distorting competition;

(iii) violating intellectual property rights;

(iv) attempting to influence the decision-making process of the Agency during the award procedure;

(v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;

(d) it has been established by a final judgment that the applicant is guilty of any of the following:

(i) fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;

(ii) corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or corruption as defined in the applicable law;

(iii) conduct related to a criminal organisation, as referred to in Article 2 of Council Framework Decision 2008/841/JHA;

(iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council;

(v) terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;

(vi) child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

(e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;

(f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;

(g) It has been established by a final judgement or final administrative decision that the applicant has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;

(h) it has been established by a final judgement or final administrative decision that an entity has been created with the intent referred to in point (g);

(i) for the situations referred to in points (c) to (h) above, the applicant is subject to:

(i) facts established in the context of audits or investigations carried out by European Public Prosecutor's Office after its establishment, the Court of Auditors, the European Anti-Fraud Office or the internal auditor, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;

(ii) non-final judgments or non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;

(iii) facts referred to in decisions of persons or entities being entrusted with EU budget implementation tasks;

(iv) information transmitted by Member States implementing Union funds;

(v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law; or

(vi) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

**ARTICLE 14 - REMEDIAL MEASURES**

If an applicant declares one of the situations of exclusion listed above (see Article 13), it must indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to correct the conduct and prevent further occurrence, compensation of damage or payment of fines or of any taxes or social security contributions. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred to in point (d) of article 13.

**ARTICLE 15 - PUBLICITY**

The beneficiary authorizes COSME, IED and the CircularInnoBooster Consortium to publish the following information in any form and medium, including via the Internet

* the beneficiary's name and address,
* the subject and purpose of the grant,
* the amount granted and the proportion of the Project's total cost covered by the funding,
* photographs of the product/service/business model obtained,
* some description of the project/proof of concept not including any confidential information.

**ARTICLE 16 - SUSPENSION**

The beneficiary may suspend implementation of the Project up to 2 months if exceptional circumstances make this impossible or excessively difficult, notably in the event of force majeure. He shall inform IED without delay, giving all the necessary reasons and details and the foreseeable date of resumption.

**ARTICLE 17 - FORCE MAJEURE**

Force majeure shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations under this agreement, was not attributable to error or negligence on their part, and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available (unless due to force majeure), labour disputes, strikes or financial difficulties cannot be invoked as force majeure by the defaulting party.

A party faced with force majeure shall inform the other party without delay in writing with advice of delivery or equivalent, stating the nature, probable duration and foreseeable effects.

Neither of the parties shall be held in breach of their obligations under the agreement if they are prevented from fulfilling them by force majeure. The parties shall make every effort to minimise any damage due to force majeure.

**ARTICLE 18 - ASSIGNMENT**

Claims against IED may not be transferred.

**ARTICLE 19 - TERMINATION OF THE AGREEMENT**

Termination by the beneficiary in duly justified cases, the beneficiary may withdraw his request for a grant and terminate the agreement at any time by giving 15 days' written notice stating the reasons, without being required to furnish any indemnity on this account. If no reasons are given or if IED does not accept the reasons, the beneficiary shall be deemed to have terminated this agreement improperly.

IED may decide to terminate the agreement, without any indemnity on its part, in the following circumstances:

(a) in the event of a legal, financial, technical, organisational or auditing change in the beneficiary's situation that is liable to affect the agreement substantially or to call into question the decision to award the grant;

(b) if the beneficiary fails to fulfil a substantial obligation incumbent on him under the terms of the agreement;

(c) in the event of force majeure or if the Pilot Project has been suspended as a result of exceptional circumstances;

(d) if the beneficiary is declared bankrupt, is being wound up or is the subject of any other similar proceedings;

(e) if the beneficiary is found guilty of an offence involving his professional conduct by a judgment having the force of res judicata or if he is guilty of grave professional misconduct proven by any justified means;

(f) if the beneficiary is guilty of misrepresentation or submits reports inconsistent with reality to obtain the grant provided for in the agreement;

(g) if the beneficiary has intentionally or by negligence committed a substantial irregularity in performing the agreement or in the event of fraud, corruption or any other illegal activity on the part of the beneficiary to the detriment of the European Communities' financial interests. A substantial irregularity consists of any infringement of a provision of an agreement or regulation resulting from an act or an omission on the part of the beneficiary which causes or might cause a loss to the Community budget.

**ARTICLE 20 - TERMINATION PROCEDURE**

The procedure is initiated in writing with advice of delivery or equivalent.

In the cases referred to in points (a), (b) and (d) of article 15, the beneficiary shall have 30 days to submit his observations and take any measures necessary to ensure continued fulfilment of his obligations under the agreement. If IED fails to confirm acceptance of these observations by giving written approval within 30 days of receiving them, the procedure shall continue to run.

Where notice is given, termination shall take effect at the end of the period of notice, which shall start to run from the date when notification of IED decision to terminate the agreement is received.

If notice is not given in the cases referred to in points (c), (e), (f) and (g) of article 15, termination shall take effect from the day following the date on which notification of the IED decision to terminate the agreement is received.

**ARTICLE 21 - EFFECT OF TERMINATION**

In the event of termination, payments by IED shall be limited to the eligible costs actually incurred by the beneficiary up to the date when termination takes effect.

Costs relating to current commitments that are not due to be executed until after termination shall not be taken into account.

**ARTICLE 22 - FINANCIAL PENALTIES**

Any beneficiary declared to be in grave breach of his obligations shall be liable to financial penalties of between 2% and 10% of the value of the grant in question, with due regard for the principle of proportionality.

**ARTICLE 23 - RECOVERY**

If any amount is unduly paid to the beneficiary or if recovery is justified under the terms of the agreement, the beneficiary undertakes to repay IED the sum in question on whatever terms and by whatever date it may specify. If the beneficiary fails to pay by the date set by IED, the sum due shall bear interest.

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| For the CircularInnoBooster Project Coordinator  Madrid, \_\_/\_\_/\_\_\_\_  Jose Francisco Garcia | For the Beneficiary  Place, \_\_/\_\_/\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |