

REGULATIONS AND OBLIGATIONS OF THE SUPPLIER ACCORDING TO INNOVATION AND NETWORKS EXECUTIVE AGENCY (“AGENCY”) PROCEDURES

I. DAMAGES

1. The Agency shall not be held liable for any damage caused or sustained by any of the Supplier, including any damage caused to third parties as a consequence of or during the implementation of the action.
2. Except in cases of force majeure and to the extent that the SUPPLIER is at fault, the Supplier shall compensate the Agency for any damage sustained by it as a result of the implementation of the action or because the action was not implemented or implemented poorly, partially or late.

II. CONFLICT OF INTERESTS

1. The Supplier shall take all necessary measures to prevent any situation where the impartial and objective implementation of the Contract is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest (“conflict of interests”).
2. Any situation constituting or likely to lead to a conflict of interests during the implementation of the Contract shall be notified to the Agency, in writing, without delay. The Supplier shall immediately take all the necessary steps to rectify this situation. The Agency reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken within a specified deadline.

III. CONFIDENTIALITY

1. The Agency and the Supplier shall preserve the confidentiality of any information and documents, in any form, which are disclosed in writing or orally in relation to the implementation of the Contract and which are explicitly indicated in writing as confidential.
2. The Supplier shall not use confidential information and documents for any reason other than fulfilling their obligations under the Contract, unless otherwise agreed with the Agency in writing.
3. The Agency and the Supplier shall be bound by the obligations referred to in point III.1 and III. 2 above during the implementation of the Contract and for a period of five years after the expiration or termination of this Contract, unless the party concerned agrees to release the other party from the confidentiality obligations earlier; the confidential information becomes public through other means than in breach of the confidentiality obligation through disclosure by the party bound by that obligation; the disclosure of the confidential information is required by law.

IV. PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

1. Ownership of the results of the action, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be and remain the intellectual property of Supplier or its sub-suppliers or licensors, as the case may be.
2. Where industrial and intellectual property rights, including rights of third parties, exist prior to the conclusion of the Contract, the Supplier shall establish a list which shall specify all rights of ownership and use of the pre-existing industrial and intellectual property rights and disclose it to the Agency and the Ordering Party at the latest before the commencement of implementation.
3. The Supplier shall ensure that they or their affiliated entities have all the rights to use any pre-existing industrial and intellectual property rights during the implementation of the

Contract for realization, operation and maintenance of the subject of the Contract. The Ordering Party and the Agency shall not have the right to use the Information and any pre-existing industrial and intellectual property rights for duplication or expansion of the subject of the contract without prior written consent of the Supplier. However the Agency has the rights to: a) summarise the results of the action and distribute the summary; b) extract a part (e.g. audio or video files) of, divide into parts or compile the results of the action.

5. Information about the copyright owner shall be inserted when the result is divulged by the Agency. The copyright information shall read: "© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the Innovation and Networks Executive Agency under conditions."

VI. CHECKS, AUDITS AND EVALUATION

1. The European Commission („Commission”) or the Agency may carry out from to time and upon prior written request technical and financial checks and audits in relation to the use of the grant. Prior to any audit, it shall be ensured by the Commission or the Agency that:
 - i. The audit will not cause any delays in the process of manufacturing of the Equipment, or otherwise in Supplier’s performance under the Contract
 - ii. The audit will be performed by auditors which are bound by confidentiality obligations ; and
- iii. All costs related to this audit shall be borne by the Commission or the Agency.
- iv. Auditors shall not be entitled to audit the making of lump sum prices.
2. Information and documents provided in the framework of checks or audits shall be treated on a confidential basis.
3. In addition, the Commission or the Agency may carry out interim or final evaluation of the impact of the action measured against the objective of the Union program concerned, in order to assess whether the objectives, including those relating to environmental protection, have been attained.
4. Checks, audits or evaluations made by the Commission or the Agency may be carried out either directly by its own staff or by any other outside body authorized to do so on its behalf.
5. Such checks, audits or evaluations may be initiated during the implementation of the Contract and for a period of five years starting from the date of payment of the balance. This period shall be limited to three years if the maximum amount specified in Article 3 of Grant Agreement is not more than EUR 60 000.
6. The check, audit or evaluation procedure shall be deemed to be initiated on the date of receipt of the letter of the Commission or the Agency announcing it.
7. The Supplier shall keep all original documents, especially accounting and tax records, stored on any appropriate medium, including digitalized originals when they are authorized by their respective national law and under the conditions laid down therein, for a period of five years starting from the date of payment of the balance. This period shall be limited to three years if the maximum amount specified in Article 3 of Grant Agreement is not more than EUR 60 000.
8. The periods set out above shall be longer if there are on-going audits, appeals, litigation or pursuit of claims concerning the grant, including in the case referred to in point 16 of this Attachment. In such cases, the beneficiaries shall keep the documents until such audits, appeals, litigation or pursuit of claims are closed.
9. The Supplier shall provide any information, including information in electronic format, requested by the Commission or the Agency or by any other outside body authorized by it in the framework of a check, audit or evaluation.
10. During an on-the-spot visit, the Supplier shall allow Commission or Agency staff and outside personnel authorized by the Commission or the Agency to have access to the sites

and premises where the action is or was carried out, and to all the necessary information, including information in electronic format.

11. They shall ensure that the information is readily available at the moment of the on-the-spot visit and that information requested is handed over in an appropriate form.
 12. On the basis of the findings made during the audit, a provisional report (“draft audit report”) shall be drawn up. It shall be sent by the Commission or the Agency or its authorized representative to the Supplier concerned, which shall have 30 days from the date of receipt to submit observations. The final report (“final audit report”) shall be sent to the Supplier concerned within 60 days of expiry of the time limit for submission of observations.
 13. On the basis of the final audit findings, the Commission or the Agency may take the measures which it considers necessary.
 14. The European Anti-Fraud Office (OLAF) shall have the same rights as the Commission and the Agency, notably right of access, for the purpose of checks and investigations. By virtue of Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities’ financial interests against fraud and other irregularities and Regulation (EU) No 883/2013 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against fraud and other irregularities.
 15. Where appropriate, OLAF findings may lead to recovery by the Agency. They may also lead to criminal prosecution under national law.
 16. The European Court of Auditors shall have the same rights as the Agency and the Commission, notably right of access, for the purpose of checks and audits.
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