



**Partnership Agreement between Lead Partners and Partners  
of the CENTRAL EUROPE project 3sCE413P2 RAILHUC  
(Railway Hub Cities and TEN-T network)**

Having regard to:

- the legal framework as in § 1 of the Subsidy Contract signed between the Managing Authority (hereinafter referred to as MA) and the Lead Partner Emilia-Romagna Region, D.G. Infrastructural Networks, Logistics and Mobility Systems, of the project No 3CE036P2, acronym RAILHUC and in particular Art. 20.1 (a) of the Regulation (EC) No 1080/2006 of the European Parliament and the Council of 5 July 2006 and
- § 6.1 to § 6.3 of the Subsidy Contract signed between the Managing Authority and the aforementioned Lead Partner (signed by the Lead Partner on 20/10/2011 and countersigned by the Managing Authority on 22/11/2011).

the following Agreement shall be made between:

- ♦ Emilia-Romagna Region, D.G. Infrastructural Networks, Logistics and Mobility Systems - Viale Aldo Moro 30, 40127 Bologna, Italy, represented by Paolo Ferrecchi  
(Lead Partner)

and

- ♦ KORDIS JMK, spol. s.r.o. - Nové Sady 30, 60200, Brno, Czech Republic, represented by Tomas Soukal, Petr Kratochvil  
(Partner 2)
- ♦ Vysocina Region - Žižkova 57, 587 33, Jihlava, Czech Republic, represented by Jiří Běhounek  
(Partner 3)
- ♦ City of Dresden - Landeshauptstadt Dresden, Postfach 12 00 20, 01001, Dresden, Germany, represented by Helma Orosz  
(Partner 4)
- ♦ German Association for Housing, Urban and Spatial Development - Littenstraße 10, D-10179, Berlin, Germany, represented by Christian Huttenloher  
(Partner 5)
- ♦ Hungarian State Railways Private Company Limited By Shares (MÁV Co.) - Könyves Kálmán krt. 54-60, H-1087, Budapest, Hungary, represented by Ferenc SZARVAS  
(Partner 6)
- ♦ KTI Institute for Transport Sciences Non Profit Ltd. - Thán Károly u. 3-5., 1119, Budapest, Hungary, represented by Sándor Tombor  
(Partner 7)

- ♦ City of Venice - S. Marco 4136, 30124, Venice, Italy, represented by Luigi Bassetto  
(Partner 8)
- ♦ Veneto Region - Infrastructure Regional Secretariat - Logistics Unit - Calle Priuli, Cannaregio 99, 30121, Venice, Italy, represented by Luigi Zanin  
(Partner 9)
- ♦ Railway Company Slovakia, joint stock company - Rožňavská 1, 832 72, Bratislava, Slovakia, represented by Pavel Kravec, Jaroslav Paulický  
(Partner 10)
- ♦ PKP Polish Railway Lines Company - Targowa 74, 03-734, Warszawa, Poland, represented by Marek Pawlik, Józefa Majerczak  
(Partner 11)
- ♦ Regional Development Agency of Ljubljana Urban Region - Tehnološki park 19, 1000, Ljubljana, Slovenia, represented by Lilijana Madjar  
(Partner 12)
- ♦ City of Vienna, Municipal Department 18 - Urban Development and Planning - Rathausstraße 14-16, 1082, Vienna, Austria, represented by Thomas Madreiter  
(Partner 13)

for the implementation of the CENTRAL EUROPE project 3sCE413P2 - Railway Hub Cities and TEN-T network (RAILHUC), approved by the Monitoring Committee of the Operational Programme CENTRAL EUROPE on 19/05/2011 (approval under conditions) and on 02/08/2011 (final approval).

## § 1

### Subject of the Agreement

Subject of this Agreement is the organisation of a partnership in order to implement the CENTRAL EUROPE project 3sCE413P2 - Railway Hub Cities and TEN-T network (RAILHUC) as indicated in the annexes.

The Lead Partner and the Project Partners commit themselves in jointly implementing the project in accordance with the Application Form and support one another with the aim to reach the objectives of the project. This also includes the commitment to produce qualitative outputs and to achieve the results set in the Application Form and support the Lead Partner in fulfilling its obligations as defined in the Subsidy Contract between the Managing Authority and the Lead Partner dated 22/11/2011 and its annexes (Annex II).

Therefore this Partnership Agreement must be in accordance with the provisions of the Subsidy Contract. The Project Partners declare to have carefully read and accepted the legal framework and the other relevant norms affecting the project. In case that changes in the Subsidy Contract affect the Partnership Agreement, this document has to be adjusted accordingly.

The annexes of this Agreement are considered to be an integral part of this Agreement and comprise:

The latest version of the Application Form including the fulfilment of conditions approved by the Monitoring Committee on 02/08/2011 including enclosures (**Annex I**); the detailed work plan and timetable of activities per Project Partner (**Annex III**); the partners' budget split per work package, budget line and reporting period (**Annex IV**)

## **§ 2**

### **Definitions**

For the purposes of the present Agreement the following terms shall have the meanings assigned to them here:

- (a) Project Partner: any institution financially participating in the project and contributing to its implementation according to Section 4 of the approved project Application Form (corresponds to the term "beneficiary" used in the EU-regulations on Structural Funds and is hereinafter referred to as PP);
- (b) Lead Partner: the project partner who takes the overall responsibility for the project according to Section 4 of the approved project Application Form and as in § 6 of the Subsidy Contract (hereinafter referred to as LP);
- (c) Associated institution: any body involved as observer without financially contributing to the project and included in the list available in Section 4 of the approved project Application Form.

## **§ 3**

### **Duration of the Agreement**

This Agreement shall enter into force retrospectively (*ex tunc*) as from the day after the submission of the Application Form, unless the project has a later starting date. It shall remain in force as long as the LP and its PPs have any duties linked to the ERDF subsidy, i.e. three years after the closure of the Programme, and in any case at least until 31 December 2022 if there are not national rules that require an even longer archiving period. Other possibly longer statutory retention periods remain unaffected. This applies also to all information and supporting documents regarding a grant under the *de minimis* aid scheme.

## **§ 4**

### **Partnership**

The PPs entitle the LP to represent the PPs in the project. They commit themselves to undertake all steps necessary to support the LP in fulfilling its obligations specified in the Subsidy Contract and in this Agreement.

## **§ 5**

### **Obligations of the Lead Partner**

1. The LP shall assume the sole responsibility for the entire project towards the Managing Authority and fulfil all obligations arising from the related Subsidy Contract.
2. The obligations of the LP ex Article 20(1) of the Regulation (EC) No 1080/2006 are listed in § 6 and 7 of the Subsidy Contract included in this Agreement as Annex II. In addition to these, the LP is also obliged to:



- a) Take all the necessary actions to comply with the requirements indicated in the Control & Audit Guidelines;
- b) In case the project foresees to implement activities outside the EU territory up to a limit of 10% of the total ERDF project budget ex art. 21.3 of Reg. (EC) No 1080/2006, ensure that funds are spent under its and/or its PPs responsibility in order to secure a proper financial control and that the total ERDF expenditure is within the limit agreed by the partnership and the aforementioned limit not exceeded;
- c) Ensure to take all the necessary measures in order to avoid that the Subsidy Contract is terminated by the Managing Authority and thus to avoid that the partnership is asked to repay the subsidy according to §15 of the Subsidy Contract.

## § 6

### Obligations of the Project Partners

1. Each PP shall comply with the relevant legal and other requirements under the law which applies to it, especially with the European Union's and national legislation as set out in § 1 of the Subsidy Contract (Annex II) and its annexes. Furthermore each PP shall ensure that all necessary approvals have been obtained.

In particular each PP shall ensure for the part of the project for which it is responsible:

- a) that it is in compliance with the relevant EU Regulations - especially ERDF and regulations concerning equal opportunities, protection of environment, cost efficiency, publicity rule, public procurement and State Aid discipline, other applicable rules as reported in the documentation listed in Annex II of this Agreement (in particular the Control & Audit Guidelines) - and the applicable national legislation
  - b) in case *de minimis* for state aid applies, that all administrative requirements necessary to ensure the implementation of Regulation (EC) No 1998/2006 are respected; when necessary, this respect shall also be ensured by those actors/institutions benefitting of the PPs actions implemented within the project;
  - c) that the national eligibility rules, national public procurement rules and programme requirements are strictly respected.
2. Each PP confirms that data contained in the application documents and which are acquired in the project implementation shall be used by the Managing Authority according to the Law on Data Protection 2000, Austrian Federal Law Gazette No 165/1999.
  3. Furthermore each PP shall give access to the relevant authorities (Joint Technical Secretariat, Managing Authority, Certifying Authority, Audit Authority, Commission Services and national and EU controlling institutions) to its business premises for the necessary controls and audits.
  4. Each PP shall ensure that its part of activities to be implemented in the approved project is not fully or partly financed by other EU Programmes and that double-financing does not occur also with reference to other national or regional public subsidies.
  5. Each PP shall ensure that the following project management conditions are fulfilled:
    - a) To implement the part of the project for which it is responsible in due time according to the descriptions of the work plan (Application Form, Section 3) as defined in Annex III of the present Agreement and to start the project



- implementation at the latest within two months after the entering into force of the Subsidy Contract or at a later date according to the project work plan;
- b) To appoint a local coordinator for the part(s) of the project for which it is responsible and to give the appointed coordinator the authority to represent the partner in the project so that to ensure a sound project management;
  - c) To immediately notify the LP of any event that could lead to a temporary or final discontinuation or any other deviation of the approved part(s) of the project for which the PP is responsible;
  - d) To provide the independent assessors carrying out the CENTRAL EUROPE programme evaluation and ex-post evaluation with any document or information necessary to assist with the evaluation;
  - e) To promptly react to any request by the Managing Authority/Joint Technical Secretariat through the LP;
  - f) To inform the LP about any audit that have been carried out by the bodies mentioned in §6. 3 of the present Agreement.
6. Each PP shall ensure that the following finance management conditions are fulfilled:
- a) In case the PP is located in the EU CENTRAL EUROPE area and §5.2.b) applies to the aforementioned PP, funds shall be spent under its responsibility in order to secure a proper financial control and the expenditure shall be within the limit agreed by the partnership;
  - b) That expenditure presented to the LP has been incurred for the purpose of implementing the project and correspond to the activities agreed;
  - c) To immediately inform the LP if costs are reduced or one of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the Managing Authority to reduce payment or to demand repayment of the subsidy wholly or in part;
  - d) To install a separate accounting system for the settlement of the present project and safeguard that the eligible costs as well as the received subsidies can be clearly identified.
  - e) Ensure an efficient internal management and control system at partner level.
  - f) Inform the Lead Partner immediately if any variation takes place in relation to the information included in its co-financing statement, in the declaration of administrative and financial capacity and on legal status or in the declaration on status of the applicant according to the state aid discipline signed by each partner.
  - g) Ask 1st level certifications of expenditures according to the Central Europe Programme and national rules for each reporting period as soon as possible after each project reporting period closure.
  - h) Send to the Lead Partner copies of the requests for 1st level certifications, including copies of proofs of expenditures, as soon as the request for certification is made to the 1st level certifying body.
  - i) support the Lead Partner in drawing up progress reports and the final report by providing the required data and documents on time and according to the Lead Partner's timing e contents requirements.

## § 7

### Organisational Structure of the Partnership

1. For the successful management and completion of the project a Steering Committee shall be set up.
2. The Steering Committee shall be composed by competent representatives of all PPs as indicated/identified in the Start-up Report and shall be chaired by the LP. It shall meet

on a regular basis. Associated institutions shall be invited to take part in the Steering Committee in an advisory capacity.

3. The Steering Committee shall:
  - a) Be responsible for monitoring the implementation of the project;
  - b) Decide on any budget changes as in § 11 of the present Agreement;
  - c) Be responsible for the settlement of any disputes among project participants (as stipulated in § 23 of this Agreement);
  - d) Have the possibility to set up sub-groups/ working groups to deal with specific tasks related to the project.
4. Further aspects, including the mediation or resolution of disputes between the Steering Committee and the PP(s) may be set out in the Rules of Procedure of the Steering Committee.

## **§ 8**

### **Budgetary and financial management, accounting principles**

1. In compliance with § 6 of this Agreement, every PP shall be held responsible towards the LP for guaranteeing a sound financial management of its budget up to the amount as to which the partner participates in the project and pledges to release its part of the co-funding. For this purpose, a separate accounting system must be set in place.
2. All PPs involved must ensure that:
  - a) No financial profits can be gained from the participation in the project;
  - b) In case of subcontracting of external services, transparent public procurement, competition principles and respect of EU and national legislation on public procurement and state aid shall apply;
  - c) In order to ensure full audit trail, no withholding of ERDF funds can take place among the parties of this agreement;
  - d) All other requirements coming from the national first level controllers shall be respected.

## **§ 9**

### **Reporting, certification of expenditure and requests for payment**

1. Every PP commits to providing the LP with the information needed to draw up and submit, according to the deadlines set in the Subsidy Contract, Progress reports and other specific documents required by the Managing Authority. The reporting periods as laid down in the Subsidy Contract as well as instructions in the reporting forms, Implementation Manual and Control & Audit Guidelines shall be observed.
2. In addition, in order to allow the LP to submit a payment request to the Managing Authority, every PP shall submit to the LP its Confirmations of Control of expenditure issued by the responsible public authorities or private institutions as referred to in Art 16(1) of Regulation (EC) No 1080/2006, accompanied by the compulsory elements presented in the control and audit guidelines (i.e., the internal control report and the control checklist).
3. In order to meet the deadlines as stipulated in §9.1, each PP commits itself to deliver the necessary documentation to the LP 15 working days before the deadline set in the Subsidy Contract.



4. Requests for postponement of the reporting deadline shall be asked by the LP to the Managing Authority via the JTS at the latest one week prior to the due deadline and accompanied by justification documents.
5. The LP shall be in charge of confirming that the expenditure reported by each PP has been incurred by the nominated PP and for the purpose of implementing the project and that it corresponds to the activities laid down in the approved Application Form. The LP shall also verify that the expenditure has been validated by the relevant controller according to the system chosen by the Member State where the PP is located.
6. In the event of expenditure validated by the PP(s) which has not been incurred for the purpose of implementing the project or does not correspond to the activities agreed, the LP shall ask the PP(s) to redraft the submitted financial documents; the LP shall be entitled to deny the expenditure declared by the affected PP(s). In that case, the LP is obliged to inform the PP(s) concerned on the denial of the expenditure declared and the motivation thereto.
7. Payments not requested in time and in full or non in compliance may be lost: in case of decommitment of funds § 18.9 applies.
8. The first level controller who, in accordance with the system set up by each Member State, shall carry out the validation of the expenditure of the PP is :

Institution:	CENTRE FOR REGIONAL DEVELOPMENT OF THE CZECH REPUBLIC
Name:	TATIANA MIFKOVA, LUCIE VLKOVA
Address:	NOVOBRANSKA 526/14, 602 00 BRNO, CZECH REPUBLIC
Telephone:	+420 542 210 529, +420 542 212 366
Fax:	+420 542 210 529
E-Mail:	mifkova@crr.cz, vlkova@crr.cz

9. This controller will base its work on the rules provided by each Member State and the requirements set in the respective EC Regulations and in the Control and Audit Guidelines of the CENTRAL EUROPE Programme.
10. The PPs from countries having set a decentralised control system, accepts the right of the Managing Authority, after agreement with the national responsible institution, to require that the controller directly selected by the PPs shall be replaced if considerations, which were unknown when the contract was signed, cast doubts on the controller's independence or professional standards.
11. Any change of control authority/institution or name of controller(s) shall be duly notified to the LP who has subsequently to notify the Managing Authority via the Joint Technical Secretariat.
12. PPs must provide additional information if the LP or the Managing Authority via the Joint Technical Secretariat deem that necessary in order to proceed with the analysis of the Progress Report. In case it is the latter asking additional clarifications, these will be collected by the LP and sent to the Managing Authority via the Joint Technical Secretariat.
13. After the Progress report has been checked by the Managing Authority via the Joint Technical Secretariat and the respective ERDF funds have been transferred to the LP

account, the LP shall forward the ERDF share to the PP according to its quota without any delay and in full to the following account:

Account No (IBAN):	CZ51 6800 0000 0042 0031 5224
Name of the holder:	VYSOCINA REGION
Name of the bank:	VOLKSBANK CZ, A.S.
Bank code (SWIFT):	V80EC22X

14. This account shall be whenever possible specific for project purposes and shall provide for registration in Euros (EUR; €) of total expenses (expenditure) and of the return (income) related to the project. Changes of the account number shall be duly notified to the LP.
15. For partners located outside the EURO-zone, the Lead Partner and the partners agree to use the following conversion of project expenditures: the average monthly exchange rate set by the Commission of the last month of the reporting period as published on: <http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>
16. In case of delay in the transfer of ERDF funds imputable to the LP, the PPs may claim interest rates which the LP must not pay from the approved project budget. The maximum acceptable delay is of 30 working days. In exceptional and duly justified cases, public and public equivalent bodies could benefit from an extension of the afore-mentioned set time in order to comply with the internal administrative procedures in transferring public funds.
17. The LP shall systematically send every PP copies of the Progress reports submitted to the Managing Authority via the JTS and keep the PPs informed on a regular basis of all relevant communication with the bodies implementing the Programme.

## § 10 Audit trail

1. Each PP shall maintain for audit purposes all supporting documents regarding expenditure incurred and payments made for which it is responsible recorded and stored on commonly accepted data carriers as referred to in Article 19 (4) of Regulation (EC) No 1828/2006 and made available for verifications according to Article 16 of Regulation (EC) No 1080/2006 as well as audits according to Articles 62 and 90 of Regulation (EC) No 1083/2006. All supporting documents shall be stored in a safe and orderly manner for three years after the closure of the programme, and in any case at least until 31 December 2022, if there are not national rules that require an even longer archiving period. Other possibly longer statutory retention periods remain unaffected. This applies also to all information and supporting documents regarding a grant under the *de minimis* aid scheme.

2. The documents will be held for the PP by the following institution and in the following location:

Institution:	VYSOCINA REGIONAL AUTHORITY, DEPARTMENT OF REGIONAL DEVELOPMENT
Address:	ZIZKOVA 57, 587 33 JIHLAVA, CZECH REPUBLIC

3. In case documents exist in electronic version only, the computer system used must meet accepted security standards that ensure that the documents held comply with national legal requirements and can be relied on for audit purposes.



## § 11

### Budget deviation and reallocation

1. The LP is responsible towards the Managing Authority for monitoring and ensuring that budget changes in budget lines, work packages, budgets and partner budgets are allowed as long as the maximum amount of funding awarded is not exceeded, that provisions related to State Aid discipline are respected and that they follow the conditions below:
  - a) an increase of the original amount, as stated in the approved application, is possible in the budget line, the work packages budget and/or the budget of partners. The increase is limited to a maximum of either € 20.000,- or 10% of the original amount of the budget line, the work packages and the budget of the partners<sup>1</sup> and under the rules as defined in §4.5 a) of the Subsidy Contract;
  - b) reallocation of amounts between budget lines, work packages budget and/or between PPs resulting in an increase of up to 20% but to a maximum of EUR 250.000,- of the original budget of the budget line, work package budget and partner budget as stated in the latest approved application documents is possible<sup>2</sup>. The reallocation shall take place only once during the project period and under the rules as defined in § 4.5 b) of the Subsidy Contract.
2. Every PP shall timely inform the LP on any request of revision of its budget quota in respect to its original commitment.
3. In case § 11.1 b) applies, the LP shall negotiate changes with its PPs beforehand and submit the proposal to the project Steering Committee for approval.
4. For budget changes exceeding the limit set in §11.1 b) of this Agreement, the LP based on its own and on information received from its PPs - shall submit a motivated request to the Managing Authority via the Joint Technical Secretariat. These changes may be approved by the Monitoring Committee on a case by case basis.
5. In case a change in the budget occurs, Annex IV of the present Agreement has to be amended accordingly and this change must be notified to the Managing Authority via the Joint Technical Secretariat.

## § 12

### Changes in Project Partnership

1. In case of PP withdrawal from the project due to structural, financial or technical obstacles not existing at the moment of the establishment of the partnership, submission of the project proposal and further (project) implementation, the LP has to inform the Managing Authority via the Joint Technical Secretariat without delay and has to find rapid and efficient solutions in order to ensure the proper project implementation.
2. The remaining PPs will endeavour to cover the contribution of the withdrawing PP either by assuming its tasks by one or more of the present PPs or by asking a new PP to

<sup>1</sup> Resulting decreases in the budget of other budget lines, work packages and/or budgets of partners may exceed these thresholds as long as the implementation of the approved work plan and the partners' foreseen involvement remain unaffected.

<sup>2</sup> As in the previous footnote.

join the partnership. In case the former applies, the LP shall ensure that the partnership eligibility requirements are ensured.

3. In case a new PP is asked to join the partnership, the LP must ensure that it has adequate experience, technical, organizational and financial capabilities to properly participate in the project and to adequately replace the withdrawing one. The LP shall submit to the Managing Authority via the Joint Technical Secretariat on behalf of the new PP all relevant documents (including, if necessary, a declaration on the status with regard to the State Aid compliance). Also in this case, the LP shall ensure that the partnership eligibility requirements are ensured.
4. The entry of any new PP becomes legally effective only after approval by the Monitoring Committee. Funds of the withdrawing PP are only available for the new PP or the remaining PPs after the approval of its replacement by the Monitoring Committee.
5. In case a change in partnership occurs, the present Partnership Agreement - as well as the relevant annexes - has to be amended accordingly and signed by the new PP as well as by the remaining partners including the LP.
6. In case the replacing PP, both new or from within the partnership, has a different co-financing rate than the withdrawing one, the initial total ERDF granted to the project by the Monitoring Committee cannot be exceeded.
7. The withdrawn PP has nevertheless to keep documents for audit purposes three years after the closure of the programme, and in any case at least until 31 December 2022.

### **§ 13**

#### **Changes in activities and in project duration**

1. In case modification of activities and/or extension of project duration would become necessary, the LP has to inform the Managing Authority via the Joint Technical Secretariat without delay providing adequate justification.
2. Modification of activities and/or extension of the project duration become legally effective only after approval by the Managing Authority.
3. No extension of duration will be allowed beyond 31 December 2014.
4. In case a change in the activities and/or the duration occurs, all affected annexes of the present Agreement have to be amended accordingly and this change must be notified to the Managing Authority via the Joint Technical Secretariat. The modification of the duration of the single activities not affecting the overall project duration does not require a change of the annexes. Moreover if the changes do not require an approval of the Central Europe Monitoring Committee a change of this partnership agreement and of its annexes is not needed.

### **§ 14**

#### **Information and publicity measures**

1. The LP and the PPs shall ensure adequate promotion of the project both towards potential beneficiaries of the project results and towards the general public.



2. Any notice or publication by the project, including a conference or a seminar, must specify that the project has received a subsidy from the Programme funds in compliance with requirements set by the regulatory framework as in §1 of the Subsidy Contract in particular with Articles 8 and 9 of Regulation (EC) No 1828/2006 on information and publicity measures for the public and its Annex I.
3. The LP must ensure that all the PPs and itself respect the additional publicity requirements as laid down in the Implementation Manual and Control and Audit Guidelines which form an integral part of this Agreement.
4. The LP and the PPs commit themselves that any notice or publication by the project, in whatever form and on or by whatever medium, including the Internet, must specify that it reflects the author's view and that the Managing Authority and the programme bodies are not liable for any use that may be made of the information contained therein.
5. The LP and PPs authorise the Managing Authority and the Member States to publish, in whatever form and on or by whatever medium, including the Internet, the following information:
  - the name of the LP and its PPs,
  - the purpose of the subsidy,
  - the amount of funding awarded and the proportion of the total cost of the project accounted for by the funding,
  - the geographical location of the project,
  - abstracts of progress reports and of final report,
  - whether and how the project has previously been publicise
6. The LP and PPs agree that the Managing Authority on behalf of the Monitoring Committee and of other CENTRAL EUROPE promoters at national level are entitled to use the outputs of the project in order to guarantee a widespread publicity of such deliverables and to make them available to the public.
7. Project communication and public relation outputs shall be forwarded by the LP to the Managing Authority.

## § 15

### Assignment, legal succession

1. Succession to the LP or a PP and assignment of its duties and rights is possible under exceptional cases and in well-founded circumstances and prior written consent of the Managing Authority and the Monitoring Committee.
2. In the case of legal succession, e.g. where the LP or a PP changes its legal form, the LP or the PP concerned is obliged to transfer all duties under this Agreement to the legal successor. Legal changes must not affect the eligibility of the partnership.
3. The LP shall notify the Managing Authority about any change beforehand.
4. In case § 15.1 applies, the present Agreement has to be amended accordingly.

## § 16

### Cooperation with Third parties and outsourcing

1. In the event of outsourcing, the PPs must obey community and national rules on public procurement and shall remain the sole responsible parties towards the LP and through the latter to the Managing Authority concerning compliance with their obligations by virtue of the conditions set forth in this Agreement including its annexes.
2. Eventual financial involvement of Associated institutions must not enter in conflict with public procurement rules. Expenditure incurred by the Associated institutions shall be finally borne by any of the PPs or by the LP in order to be considered as eligible and on condition that this is allowed by national rules.

## § 17

### Liability

1. According to § 8 of the Subsidy Contract, the LP bears the overall financial and legal responsibility for the project and for the PPs towards the Managing Authority and towards third parties.
2. Within the partnership, each party to this Agreement shall be liable to the other parties and shall indemnify and hold harmless such other party for and against any liabilities, damages and costs resulting from the non-compliance of its duties and obligations as set forth in this Agreement and its annexes or of other legal norms. Eventual repayment of undue funds by the PP to the LP, for which the LP is liable towards the Managing Authority is ruled in § 19 of the present Agreement.  
No party shall be responsible to any other party for any indirect or consequential loss or similar damage such as, but not limited to, loss of profit, loss of revenue or loss of contracts, provided such damage was not caused by a wilful act or by a breach of confidentiality.
3. Towards third parties the LP shall assume sole liability, including liability for damage or injury of any kind sustained by them while the project is being carried out as stipulated in § 8.4 of the Subsidy Contract. The LP is entitled to subrogate against the PP that caused the damage. The PP causing damage shall be liable to the LP therefore.
4. The parties to this contract accept that the Managing Authority cannot be under any circumstances or for any reason whatsoever held liable for damage or injury sustained by the staff or property of the LP or one of its PPs while the project is being carried out. No claims can be accepted by the Managing Authority for compensation or increases in payment in connection with such damage or injury.
5. No party shall be held liable for not complying with obligations ensuing from this Agreement in case of *force majeure* as described in § 26 of this Agreement.

## § 18

### Non-fulfilment of obligations or delay, irregularities

1. Every PP is obliged to promptly inform the LP and to provide the latter with all necessary details should there be events that could jeopardise the implementation of the project.



2. Should one of the PPs be in default, the LP shall admonish the respective PP to comply with its obligations within a maximum of one month. The LP shall make any effort to contact the PP in resolving the difficulties including seeking the assistance of the Managing Authority/Joint Technical Secretariat.
3. Should the non-fulfilment of obligations continue, the LP may decide to exclude the PP concerned from the project, prior approval of the other PPs. The Managing Authority via the Joint Technical Secretariat shall be informed immediately if the LP intends to exclude a PP from the project. Request of withdrawing a PP must be endorsed by the Monitoring Committee.
4. The excluded PP is obliged to refund to the LP any programme funds received which it cannot prove on the day of exclusion that they were used for the implementation of the project and any damage to the remaining project partnership due to its exclusion.
5. The excluded PP has to keep documents for audit purposes according to what stated in §10.1 of the present Agreement.
6. The LP and all PPs are obliged to compensate each other for those damages that may result from culpable non-performance or malperformance of any of their obligations under the present Agreement, in particular what foreseen in §5, §6 and §17.2.
7. In case of non-fulfilment of a PP's obligation having financial consequences for the funding of the project as a whole, the LP may demand compensation from the responsible PP to cover the sum involved.
8. In case of irregularities discovered by the Managing Authority or by the Certifying Authority during the day-to-day project management, in case the Managing Authority is notified of such irregularities as well as in case of breach of contract or infringement of provisions it is based on, or in case that an on-the-spot check or provision of information previously not existing bring to the conclusion that some expenditure previously validated and already paid out by the Certifying Authority might be declared as non-eligible, the LP will be asked - according to §19 of the present Agreement - to repay the subsidy in whole or in part if the funds have been already paid out. The obligation of PPs to repay the LP is regulated in §19 of this Agreement.
9. If decommitment of funds applies and the Monitoring Committee decides that ERDF funds allocated to projects have to be reduced, the PPs herewith agree that the deduction shall be imputed to those PPs that have contributed to the decommitment of funds unless a different decision is taken by the Monitoring Committee. Deduction of funds shall be done in a way not to jeopardise future involvement of PPs and implementation of activities. The responsibility of each partner of meeting its budget reporting targets remains unaffected and in case of deduction imputed to those PPs that have contributed to the decommitment, the relevant PPs will have to ensure the full implementation of their project activities after the deduction.

## § 19

### Demand for repayment of undue funds

1. Should the Managing Authority in accordance with the provisions of the Subsidy Contract demand the repayment of subsidy already transferred to the LP, every PP is obliged to transfer its portion of undue amount to the LP. The LP shall, without delay, forward the

letter by which the Managing Authority has asserted the repayment claim and notify every PP of the amount repayable. Alternatively and when possible, the repayment amount will be calculated against the next payment of the Managing Authority to the LP or, where applicable, remaining payments can be suspended. In case repayment is deemed as necessary, this repayment is due within three months following the date of the letter by which the Managing Authority asserts the repayment claim to the LP. The LP shall be entitled to set an internal deadline in order to meet the Managing Authority request. The amount repayable shall be subject to interest according to § 10.3 of the Subsidy Contract; further provisions of the Subsidy Contract shall apply by analogy.

2. In case that no PP can be held responsible for the request for repayment, and if the project Steering Committee's proposal to distribute the repayment of subsidy among the partners is rejected, the amount requested shall be apportioned between all PPs pro rata to their project share (i.e.: the amount of ERDF they have been granted according to the approved application form).
3. In case of repayment due to mistakes in the 1st level control certifications of expenditures the repayment is due by the relevant partner for which the certification was issued.
4. Bank charges incurred by the repayment of amounts due to the Managing Authority via the LP shall be borne entirely by the concerned partner.

## **§ 20**

### **Ownership - Use of outputs**

1. Ownership, title and industrial and intellectual property rights in the results of the project and the reports and other documents relating to it shall, depending on the applicable national law, vest in the LP and/or its PPs.
2. Where several members of the partnership (LP and/or PPs) have jointly carried out work generating outputs and where their respective share of the work cannot be ascertained, they shall have joint ownership on it/them.
3. Outputs as covered within the meaning of Art. 57 of (EC) Regulation No 1083/2006 cannot be transferred within the period set by this Regulation.
4. The LP and PPs ensure that the project outputs are available for the Managing Authority for further spreading and for making them available to the public.

## **§ 21**

### **Revenues**

1. In case of earnings generated during the project implementation through the sales of products and merchandise participation fees or any other provision of services against payment must be deducted from the amount of costs incurred by the project. This deduction will be made in full or pro-rata depending on whether it was generated entirely or partly by the co-financed project.
2. Should the project be identified as revenue-generating in accordance with the definition provided in Article 55 (1) of Regulation (EC) No 1083/2006, the Managing



Authority is entitled to deduct from the final request for payment the estimated net revenue that may be generated by the project.

3. In order to define the amount to be deducted, the Managing Authority shall take into account the criteria listed in Article 55 (2) and (3) of the aforementioned Regulation (and its amendments).
4. Where, at the latest three years after the closure of the programme, it is established that a project has generated revenue that has not been taken into account, such net revenue shall - in line with Art 55 (4) of the aforementioned regulation (and its amendments)- be deducted by the certifying authority at the latest on submission of the documents for the operational programme referred to in Article 89(1)(a). The application for payment of the final balance shall be corrected accordingly.
5. In order to comply with § 21 of this Agreement, each PP shall communicate to the LP the correct amount of generated revenue.

## **§ 22 Confidentiality**

1. Although the nature of the implementation of the project is public, information exchanged in the context of its implementation between the LP and the PPs, the PPs themselves or the MA/JTS shall be confidential.
2. The LP and the PPs commit to taking measures to ensure that all staff members carrying out the work respect the confidential nature of this information, and do not disseminate it, pass it on to third parties or use it without prior written consent of the LP and the PP institution that provided the information.

## **§ 23 Disputes between partners**

1. In case of dispute between the LP and its PPs or among PPs, presumption of good faith from all parties will be privileged.
2. Should a dispute arise between the LP and its PPs or among PPs of the project, the affected parties will endeavour to find a solution on an amicable way. Disputes will be referred to the Steering Committee in order to reach a settlement.
3. The LP will inform the other PPs and may, on its own initiative or upon request of a PP, ask the MA via the JTS for advice.
4. Should a compromise through mediation of the Steering Committee not be possible, MONITORING COMMITTEE members of the country of the PPs affected can be involved.

## **§ 24 Working languages**

1. The working language of the partnership shall be English.



2. Any official internal document of the project and all communication to the MA/JTS shall be made available in English.
3. The present Agreement is concluded in English. In case of translation of the present Agreement into another language, the English version shall be the binding one.

#### **§ 25 Applicable law**

1. This Agreement is governed by and construed in accordance with Italian law, on base of the country where the Lead Partner is located.

#### **§ 26 Force majeure**

1. Force majeure shall mean any unforeseeable and exceptional event affecting the fulfilment of any obligation under this Agreement, which is beyond the control of the LP and PPs and cannot be overcome despite their reasonable endeavours. Any default of a product or service or delays in making them available for the purpose of performing this contract and affecting the project performance, including, for instance, anomalies in the functioning or performance of product or services, labour disputes, strikes or financial difficulties do not constitute force majeure.
2. If the LP or PPs are subject to force majeure liable to affect the fulfilment of its/their obligations under this Agreement, the LP shall notify the MA via the JTS without delay, stating the nature, likely duration and foreseeable effects.
3. Neither the LP nor the PPs shall be considered to be in breach of their obligations to execute the project if it has been prevented from complying by force majeure. Where LP or PPs cannot fulfil their obligations to execute the project due to force majeure, grant for accepted eligible expenditure occurred may be made only for those activities which have actually been executed up to the date of the event identified as force majeure. All necessary measures shall be taken to limit damage to the minimum.

#### **§ 27 Ineffective Provision**

1. If any provision in this Agreement should be wholly or partly ineffective, the parties to this Agreement undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.
2. In case of matters that are not ruled by this Agreement, the parties agree to find a joint solution.

#### **§ 28 Amendment of the Agreement**

1. This Agreement shall only be amended in writing by means of an amendment to that effect signed by all parties involved.



2. The LP and the PPs ensure that in case of modification of provisions mentioned in §1 of the Subsidy Contract, updated rights and obligations derived thereof shall apply.

## **§ 29**

### **Lapse of time**

1. Legal proceedings concerning any issue ensuing from this Agreement may not be lodged before the courts more than three years after the claim was constituted unless the chosen applicable law as in § 25 of this Agreement states differently.

## **§ 30**

### **Concluding provisions**

1. The present Agreement must be signed by the LP and PPs and evidence of it has to be provided in the Start-up report (according to § 7.2 of the Subsidy Contract between MA and LP).
2. Any costs, fees or taxes not eligible or any other duties arising from the conclusion or the implementation of this Agreement shall be borne by the LP and PPs.
3. This agreement is signed by the Lead Partner and each partner on a bilateral basis. Each single agreement is signed with identical wording by the LP and each partner. All agreements are interlinked and effective among all the project partners. With the signature of each agreement the signing partners commit to the contents of this agreement towards all the project partners.
4. Amendments or modifications of specific data concerning first level controllers (§ 9.8), bank accounts (§ 9.13) and location of documents (§ 10.2) have to be made in written form and do not affect the binding force of the agreement.
5. Each agreement will be made in two copies, of which each party keeps one.

## **§ 31**

### **Domicile**

1. To the effect of this Agreement, the PPs shall irrevocably choose domicile at the address stated in Section 4 of the Application Form (Annex 1 to this Agreement) where any official notifications can be lawfully served.
2. Any change of domicile shall be forwarded to the LP within 15 days following the change of address by registered mail.

Drawn up at Bologna

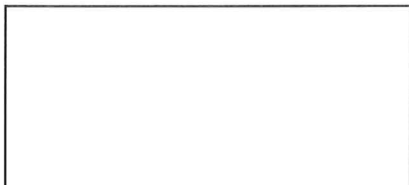
**Lead partner**  
**Emilia-Romagna Region, D.G. Infrastructural Networks, Logistics and Mobility Systems**

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Name of the Signatory

\_\_\_\_\_  
 Title of the Signatory



Official stamp of Partner Institution

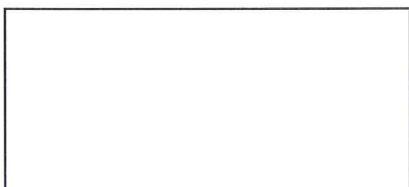
**Partner 3 - Vysocina Region**

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Name of the Signatory

\_\_\_\_\_  
 Title of the Signatory



Official stamp of Partner Institution

**Annexes:**

- **Annex I:** the latest approved version of the application form including the fulfilment of conditions approved by the Monitoring Committee on 02/08/2011 including enclosures;
- **Annex II:** the Subsidy Contract between the Managing Authority and the Lead Partner;
- **Annex III** detailed work plan and timetable of activities per project partner;
- **Annex IV:** partner 's budget split per work package, budget line and reporting period;

The following documents, which are an integral part of this Agreement, can be downloaded from the programme's internet web page: [www.central2013.eu](http://www.central2013.eu):

- Control and Audit Guidelines;
- Application manual<sup>3</sup>;
- Implementation manual;
- EC Regulations.

<sup>3</sup> The specific Manual of the application round in which the project has been approved applies.



**Subsidy Contract**  
**for the implementation of the CENTRAL EUROPE project**  
**3sCE413P2; Railway Hub Cities and TEN-T network**  
**(DVR: 0000191, V 349)**

The following contract between

City of Vienna, represented by  
Department for EU-Strategy and Economic Development  
(Magistratsabteilung 27),  
Schlesinger Platz 2, A-1080 Vienna, Austria

- acting as Managing Authority of the European Territorial Cooperation Programme CENTRAL EUROPE, hereinafter referred to as MA -

on behalf of the Federal Republic of Austria, the Czech Republic, the Federal Republic of Germany, the Republic of Hungary, Italy, the Republic of Poland, the Slovak Republic and the Republic of Slovenia.

and

**Emilia-Romagna Region, D.G. Infrastructural Networks, Logistics and Mobility Systems**

with its office at

Viale Aldo Moro, 30  
40127 Bologna  
Italia

represented by

Mr Paolo Ferrecchi

- hereinafter referred to as **Lead Partner (LP)**, meaning the lead beneficiary, as defined in Article 20(1) of the Regulation (EC) No 1080/2006

is concluded on the basis of the following clauses and in accordance with Article 15(2) of Regulation (EC) No 1080/2006, and lays down the implementing arrangements for the project "3sCE413P2", "Railway Hub Cities and TEN-T network"/"RAILHUC"

**§ 1**  
**Legal framework**

The provision of subsidy is based on the following legal framework and guidelines:

- Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing regulation (EC) No 1260/1999;

- Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999;
- Commission Regulation (EC) No 1828/2006 of 8 December 2006, setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund;
- Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid;
- Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 and its amendments on the financial regulation applicable to the general budget of the European Communities;
- Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts, as well as its amendments and related implementation provisions at national level ;
- Community rules regarding Community horizontal policies such as the rules for competition and entry into the markets, the protection of the environment, the equal opportunities between men and women and public procurement;
- National rules applicable to the Lead Partner and its Project Partners (hereinafter referred to as PPs);
- European Territorial Cooperation Operational Programme CENTRAL EUROPE 2007-2013 (CCI: 2007 CB 163 PO 061), approved by the European Commission on 3 December 2007 - Decision No C(2007) 5817 setting the strategy of the Programme (hereinafter referred to as CENTRAL EUROPE OP);
- the Agreement on the Implementation of the European territorial Cooperation Programme CENTRAL EUROPE 2007-2013" between the EU Member States taking part in the Programme and the City of Vienna, represented by the Department for EU-Strategy and Economic Development (Managing Authority) and the Department for Finance and Budget (Certifying Authority) and the Austrian Federal Chancellery, represented by the Division IV/3 as Audit Authority for the implementation on the implementation of the "CENTRAL EUROPE Programme 2007-2013";
- the Application Manual Strategic call;
- the Implementation Manual;
- the Control and Audit Guidelines.

In case of amendment of the above mentioned legal norms, the latest version shall apply.



## § 2

### Award of subsidy

1. Based on the application of the LP dated 11/02/2011 and the supplementing/amending document/s dated 28/07/2011 (altogether hereinafter referred to as "application documents"), in accordance with the decision of the Monitoring Committee of the programme (hereinafter referred to as MC), dated 19 May 2011 an earmarked subsidy is awarded to the LP for the project 3sCE413P2, Railway Hub Cities and TEN-T network (RAILHUC), from funds of the European Territorial Cooperation Programme CENTRAL EUROPE 2007-2013.

Maximum ERDF amount of funding awarded:	2.674.015,61 Euro (€)
Approved CENTRAL EUROPE Partners' contribution	673.606,64 Euro (€)
Approved CENTRAL EUROPE 2007-2013 eligible project budget <sup>1</sup> :	3.347.622,25 Euro (€)
Grant rate of the funding:	79,88%

2. Grant rate of the funding is understood as being the percentage rate which results from dividing the funding awarded from the programme (ERDF funding) by the CENTRAL EUROPE eligible budget of the project (ERDF funding + national co-financing by CENTRAL EUROPE Member States).  
The grant rate can change in the course of the implementation of the project. However the maximum amount of approved ERDF contribution cannot be exceeded. The grant rate for the project is up to 75% of the eligible costs for partners located in the Federal Republic of Austria, the Federal Republic of Germany and Italy and up to 85% of the eligible costs for partners located the Czech Republic, the Republic of Hungary, the Republic of Poland, the Slovak Republic and the Republic of Slovenia.
3. Disbursement of the subsidy is subject to the condition that the European Commission makes the funds available to the extent described above.
4. If the European Commission fails to make the funds available due to reasons that are outside of the sphere of influence of the programme, the MA is entitled to terminate this contract and any claim by the LP against the MA for whatever reason is excluded. In this case the LP will be duly notified by the MA and guided on the respective steps to be taken.
5. The LP accepts the subsidy and undertakes to carry out the project under its own responsibility.

## § 3

### Duration of the project

1. According to the supplementing/amending documents containing all changes requested by the MC decision, the project has a duration of 36 months. The project will be implemented according to the following schedule:

<sup>1</sup> Eligible project budget of the approved Application Form. Final figure dependent on budget consumption of partners with different cofinancing rates.

Start date: 01.10.2011  
End date: 30.09.2014

2. Administrative duties of the LP and PPs related to the closure of the project will take place over a period of three months after the project finalisation (i.e.: until 31.12.2014).

#### § 4

##### Object of use, eligibility of costs, reallocation

1. The subsidy is awarded exclusively for the project as it is described in the application documents and its annexes as approved by the MC. The approval decision of the MC and the revised application form an integral part of this contract.
2. Costs, which qualify for a subsidy pursuant to § 2.1 of this contract shall exclusively consist of eligible costs as listed in the approved application. The eligibility of costs for ERDF co-funding is regulated in Articles 7 and 13 of the Regulation (EC) No 1080/2006, in Articles 47 to 53 of the Regulation (EC) No 1828/2006, as well as in national regulations.
3. Eligible are only costs that have arisen as from the day after the submission of the Application Form, unless the project has a later starting date, without prejudice to the eligibility of preparatory costs and costs related to the negotiations of conditions prior to final approval.
4. To be considered eligible in the context of the project, costs must:
  - be necessary for carrying out the project, be provided for in the contract and comply with the principle of economy, efficiency and effectiveness as described in Article 27 of Regulation (EC) No 1605/2002;
  - have actually been incurred, be recorded in the LP's or PPs accounts, be identifiable and verifiable, and be backed by original supporting documents.
5. Changes in budget lines, work packages, budgets and partner budgets are allowed as long as the maximum amount of funding awarded is not exceeded, if provisions related to State Aid discipline are respected and if they follow the conditions below:
  - a) Without prior notification to the MA, the LP is entitled to increase the original amount in the budget line, the work packages budget (with the exception of work package "WP 0") and/or the budget of partners, as stated in the approved application. The increase is limited to a maximum of either € 20.000,- or 10% of the original amount of the budget line, the work packages and the budget of the partners<sup>2</sup>.
  - b) Only once during the project period, the LP is entitled to reallocate amounts between budget lines, between work packages and/or between PPs resulting in an increase of up to 20% but to a maximum of EUR 250.000,- of the original budget of the budget line, work package budget (with the exception of work package "WP 0") and partner budget as stated in the latest approved application documents<sup>3</sup>. Such reallocation requires a written application to the MA via the

<sup>2</sup> Resulting decreases in the budget of other budget lines, work packages and/or budgets of partners may exceed these thresholds as long as the implementation of the approved work plan and the partners' foreseen involvement remain unaffected.

<sup>3</sup> As in footnote 2.



- Joint Technical Secretariat (hereinafter referred to as JTS). It will enter into force only after written approval of the MA via the JTS.
- c) All budget changes exceeding the limits set up in point b) may be approved by the MC on a case-per-case basis.

## § 5 Request for payments

1. The LP may only request payments by providing proof of progress of the project as described in the approved application documents, in particular as described in the work packages. For this purpose the LP has to present progress reports and a final report to the MA via the JTS. These progress reports have to consist of a joint activity report and a financial report of the LP and PPs. The JTS will provide reporting forms which must be used by the LP. The preparation costs report, the six-monthly progress reports and the final report have to be submitted according to the timeframe indicated in § 5.4 of this contract. The last progress report is due according to the date set in § 3.2 of this contract.
2. The financial report shall contain the Confirmations of Control of expenditure of the LP and PPs related to the project expenditure that have been validated so far and that can be objectively imputed to the project. Confirmations of Control must be provided by the responsible public authorities or private institutions as referred to in Article 16(1) of Regulation (EC) No 1080/2006. To this end the LP verifies that each PP enables the responsible control authority /institution in the member state it is situated to validate the proper use of funds as will the LP itself.
3. The MA, through the JTS, may request relevant information at any time. That information must be supplied by the LP within the demanded time frame.
4. Based on the fact that payments by the European Commission will only be made in accordance with the corresponding budget commitments referred to in Articles 75(1) and 76 (1) of Regulation (EC) No 1083/2006, the LP must submit the progress reports - including requests for payments - according to the following timeframe:

Reporting period	Total cost	Expected payment request *	Progress/final report to be submitted to the JTS at the latest by dd/mm/yyyy
Preparation Costs	0,00	0,00	01.06.2012
10.11 - 03.12	145.481,11	116.207,48	01.06.2012
04.12 - 09.12	350.069,73	279.628,90	01.12.2012
10.12 - 03.13	700.691,63	559.698,86	01.06.2013
04.13 - 09.13	876.044,95	699.767,69	01.12.2013
10.13 - 03.14	641.891,77	512.730,67	01.06.2014
04.14 - 09.14	633.443,06	505.982,01	01.01.2015
<b>Total:</b>	<b>3.347.622,25</b>	<b>2.674.015,61</b>	

\*) based on grant rate of 79,88%

Payments not requested in time and in full or non in compliance may be lost.

The above payment schedule is made subject to the provision that the European Commission has paid corresponding amounts beforehand.

5. The Certifying Authority (hereinafter referred to as CA), ensures that the LP receives payments of the approved contribution from the programme in time and in full. No deduction, with the exception of irregularities and/or suspicion of irregularities detected by the MA and/or the CA, retention or further specific charges which would reduce the amount of the payment shall be made. Opposite, the ERDF contribution paid by the CA shall not exceed the share of ERDF resulting from the eligible amount validated by each responsible control authority/private institution as referred to in § 5.2.
6. In case of observations and/or reservations raised by the Commission on the description of the Management and Control System of the CENTRAL EUROPE programme or in case of a system error detected, the MA and CA have the right to temporarily withhold payments to a particular beneficiary (LP or PP) or the project as a whole. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the Commission have been withdrawn and the MA and CA have received sufficient evidence on the solution of the systemic error(s) detected.
7. The funds will be disbursed in Euro (EUR; €) only. Any exchange rate risk will be borne by the LP.
8. The LP shall install a separate accounting system for the settlement of the present project and shall safeguard that the eligible costs as well as the received subsidies can be clearly identified.

The subsidy will be transferred to the following account:

Account No (IBAN): IT 491 09008 02450 000003010903  
 Name of the holder: REGIONE EMILIA-ROMAGNA  
 Name of the bank: UNICREDIT BANCA SPA  
 Bank code (SWIFT): UNCRIT33

Whenever possible, this account should be of specific project use.

The controller who will carry out the verifications to the LPs expenditure as foreseen in Art. 16.1 of the Regulation (EC) 1080/2006 is:

Name: .....  
 Institution: .....  
 Address: .....  
 Telephone: .....  
 Fax: .....  
 Email: .....

This controller has been selected in accordance with the system set up by each Member State and meets the requirements of qualification and independence presented in the CENTRAL EUROPE Control and Audit Guidelines. In case a controller cannot be named before signing the subsidy contract the information has to be provided in the Start-up report at the latest.



Changes of address, changes of account number and changes of control authority/institution or name of controller(s) - have to be duly notified. Should the MA have any objections to the notified changes it can discuss these issues with the MC.

9. By paying out the subsidy according to this contract the MA fulfils its obligations resulting from the present contract.

## § 6

### Obligations of the Lead Partner

1. According to Article 20(1) of Reg. (EC) No 1080/2006 the LP assumes the following responsibilities:
  - a) it lays down the arrangements for its relation with the other partners participating in the project in a partnership agreement comprising, *inter alia*, provisions guaranteeing the sound financial management of the funds allocated to the project including the arrangements for recovering amounts unduly paid as well as provisions ensuring that in case of replacement of one partner the new partners experience and its technical, organisational and financial capability are sufficient in order to properly participate in the project. This agreement shall also include a full list of the responsible public authorities or private institutions in charge of issuing the Confirmations of Control mentioned in § 5.2, as well as all information on identity and location of bodies holding all supporting documents relating to expenditure and controls necessary for an adequate audit trail as referred to under Article 19(1) of Regulation (EC) No 1828/2006;
  - b) it is responsible for ensuring the implementation of the entire project;
  - c) it ensures that expenditure presented by the PP participating in the project has been incurred for the purpose of implementing the project and corresponds to the activities agreed between those PPs;
  - d) it verifies that the expenditure presented by the PPs participating in the project has been validated by the controllers according to § 5.2 of this contract;
  - e) it is responsible for transferring the ERDF contribution to the PPs participating in the project.
2. The LP guarantees that it is entitled to represent the partners participating in the project and that it has established a partnership agreement. The LP guarantees furthermore that it has complied with the legal framework according to § 1 of this contract and with all the relevant legal and other requirements under the law which applies to it and to the project partners and that all necessary approvals have been obtained. The LP is obliged to contractually forward this clause in its entirety to the PP.
3. The LP guarantees that the partnership agreement provides also for a clear division, in line with the application documents, of the mutual responsibilities between all partners and of the obligation of each PP to assume responsibility in the event of any irregularity in the expenditure which has been declared.
4. The LP, according to Chapter 3.6 of the CENTRAL EUROPE OP, ensures that the project during its implementation is not fully or partly financed by other EU Programmes.

5. The LP ensures that all supporting documents required for an adequate audit trail regarding expenditure incurred and payments made are recorded, stored on commonly accepted data carriers as referred to in Article 19 (4) of Regulation (EC) No 1828/2006 and made available for verifications according to Article 16 of Regulation (EC) No 1080/2006 as well as audits according to Articles 62 and 90 of Regulation (EC) No 1083/2006. The LP shall ensure that the PPs are made aware of these requirements.
6. The LP ensures that in case *de minimis* applies, the LP and its PPs will respect all administrative requirements necessary to ensure the implementation of Regulation (EC) No 1998/2006 and will ensure their respect, when necessary, by those actors/institutions benefitting of the actions implemented by the project. The LP is obliged to contractually forward this clause in its entirety to the PP.

#### **§ 7**

##### **Additional obligations**

In addition to the obligations of the LP as already stated in § 6 of this contract, the LP undertakes:

1. to start the project at the latest within two months after this contract has entered into force and to implement it according to the description of the work plan approved by the MC;
2. to present a Start-up report to the JTS within three months after this subsidy contract has entered into force. Details regarding the Start-up report are laid down in the Implementation Manual. In general, the Start-up report shall present the results of setting up all necessary project management structures and procedures in order to ensure a timely and sound start of the project. The Start-up report shall contain evidence that the partnership agreement mentioned in § 6.1.a) has been signed by the LP and all PPs.
3. to immediately inform the MA via the JTS, if costs are reduced or one of the disbursement conditions ceases to be fulfilled, or circumstances arise which entitle the MA to reduce payment or to demand repayment of the subsidy wholly or in part;
4. to request written approval from the MA via the JTS, if the partnership, the approved work plan, the duration, the time frame for payment reports or the budget breakdown of the project on which this contract is based change;
5. to invite the MA/JTS to participate in project Steering Committee meetings as an observer and to send minutes of these meetings to the MA/JTS;
6. to provide the independent assessors carrying out the Programme evaluation and ex post evaluation of the programme according to Articles 47 and 49 of Regulation (EC) No 1083/2006 with any document or information necessary to assist the evaluation.

#### **§ 8**

##### **Lead Partner liability**



1. The LP is liable towards the MA for:
  - a. ensuring that its PPs fulfil their obligations under this contract through the signature of a Partnership Agreement;
  - b. infringements of obligations under this contract by its PPs in the same way as for its own conduct.
2. The LP bears the overall financial and legal responsibility for the project and for the PPs.
3. If the MA demands repayment of subsidy funds in accordance with this contract, the LP is liable towards the MA for the total amount of those funds.
4. The LP shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the project is being carried out. The LP shall discharge the MA of all liability associated with any claim or action brought as a result of an infringement of rules or regulations by the LP or one of its PPs, or as a result of violation of a third party's rights.
5. The MA cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the LP or one of its PPs while the project is being carried out. The MA cannot therefore accept any claim for compensation or increases in payment in connection with such damage or injury.

## **§ 9**

### **Validation of expenditure and Audit of projects**

1. Each progress report submitted by the LP to the MA via the JTS must be accompanied by Confirmations of Control of expenditure, both at the LP and the PP level, issued by controllers referred to in Article 16(1) of Regulation (EC) No 1080/2006 ("First level controllers"), according to the system set up by each Member State and in compliance with the requirements set by the legal framework listed in §1 of this contract.
2. In cases of LP and PPs from countries having set a decentralised control system, the MA reserves the right, after agreement with the national responsible institution, to require that the controller directly selected by the LP or PPs be replaced, if considerations, which were unknown when the contract was signed, cast doubts on the controller's independence or professional standards.
3. The responsible EU auditing and, within their responsibility, the auditing bodies of the participating EU Member States or other national public auditing bodies as well as the MA and CA are entitled to audit the proper use of funds by the LP or by its PPs or to arrange for such an audit to be carried out by authorised persons. The LP and PPs will be notified in due time about any audit to be carried out on their expenditure.
4. The LP undertakes all the necessary actions to comply with the fundamental requirements indicated in the Control and Audit Guidelines which are an integral part of this contract.

5. The LP will produce all documents required for the above controls and audits, provide any information about the project requested and give access to relevant authorities (JTS, MA, CA, Audit Authority, Commission Services and national and EU controlling institutions, national responsible public authorities or authorized private control institutions) to their business premises, to provide and give access to all the information and documents supporting the audit trail in compliance with Article 90 of Regulation (EC) No 1083/2006 and Article 15 of Regulation (EC) No 1828/2006.
6. The LP will keep all information and supporting documents related to the project three years after the closure of the programme, in any case at least until 31 December 2022, if there are not national rules that require an even longer archiving period. Other possibly longer statutory retention periods remain unaffected. This applies also to all information and supporting documents regarding a grant under the *de minimis* aid scheme.
7. The LP is obliged to guarantee that also the PPs fulfil the duties stipulated in points 4 to 6 of this paragraph and that these duties are included in the Partnership Agreement mentioned in § 6.1 of this contract.
8. The LP shall inform the JTS at the occasion of submitting a Progress Report about any audits that have been carried out by the bodies mentioned in § 9.5 of this contract.
9. If, as a result of the controls and audits any expenditure is considered non eligible according to the regulatory framework as in § 1 of this contract, the procedure described in § 10 of this contract shall apply.
10. In the name of all PPs the LP agrees, according to the Law on Data Protection 2000, Austrian Federal Law Gazette No 165/1999 as further amended, that the MA is entitled to use the data which are contained in the application documents and which are acquired in the course of the realisation and winding-up of controls of the project, and that the MA may convey these data to the organs and authorised representatives of the auditing bodies on regional, national and EU level.

#### **§ 10**

#### **Recovery of unjustified expenditure**

1. In case the MA or CA discover irregularities e.g. during the day-to-day-management of a project or in case the MA is notified of such irregularities as well as in case of breach of contract or infringement of provisions it is based on, the CA in close cooperation with the MA shall, in consultation with the respective liable MS concerned and by informing the MC, demand from the LP repayment of subsidy in whole or in part if the funds have already been paid out.
2. The LP shall ensure that the PP repays the LP any amounts unduly paid in accordance with the agreement existing between them. The repaid amount can be calculated against the next payment to the LP or, where applicable, remaining payments can be suspended. In case of closed projects, the LP is obliged to transfer the repayment

amount to the MA. The repayment amount is due within three months following the date of the letter by which the MA asserts the repayment claim; the due date will be stated explicitly in the order for recovery.

3. The rate of the late interest applied to the amount to be recovered will be calculated in accordance with Article 102(2) of Regulation (EC) No 1083/2006.

## **§ 11**

### **Publicity**

1. Unless the MA requests otherwise, any notice or publication by the project, including a conference or a seminar, must specify that the project has received a subsidy from the Programme funds in compliance with the requirements set by the regulatory framework in § 1 of this contract, in particular with Articles 8 and 9 of Regulation (EC) No 1828/2006 on information and publicity measures for the public and its Annex I.
2. In addition, the LP must ensure that all the PPs and itself respect the additional publicity requirements as laid down in the Implementation Manual and in the Control and Audit Guidelines which form an integral part of this contract.
3. Any notice or publication by the project, in whatever form and on or by whatever medium, including the Internet, must specify that it reflects the author's views and that the MA and the programme bodies are not liable for any use that may be made of the information contained therein.
4. The MA and the Member States shall be authorised to publish, in whatever form and on or by whatever medium, including the Internet, the following information:
  - a) the name of the LP and its PPs,
  - b) the purpose of the subsidy,
  - c) the amount of funding awarded and the proportion of the total cost of the project accounted for by the funding,
  - d) the geographical location of the project,
  - e) abstracts of progress reports and of final report,
  - f) whether and how the project has previously been publicised.
5. The MA on behalf of the MC and of other CENTRAL EUROPE promoters at national level is entitled to use the outputs of the project in order to guarantee a widespread publicity of such deliverables and to make them available to the public. The LP agrees that the outputs are forwarded by the MA to the Member States taking part in the Programme in order to enable them to spread the outputs likewise.
6. For the purpose of meeting the objectives as set out in § 11.5 the LP has to ensure that the outputs are available for the MA.



## **§ 12**

### **Ownership - Use of outputs**

1. Ownership, title and industrial and intellectual property rights in the results of the project and the reports and other documents relating to it shall, depending on the applicable national law, vest in the LP and/or its PPs.
2. Where several members of the partnership (LP and/or PPs) have jointly carried out work generating outputs and where their respective share of the work cannot be ascertained, they shall have joint ownership of it/them. The partnership agreement as mentioned in § 6.1 of this contract shall establish provisions regarding the allocation and terms of exercising that joint ownership.
3. Outputs as covered within in the meaning of Article 57 of (EC) Regulation No 1083/2006 cannot be transferred within the period set by this regulation.

## **§ 13**

### **Revenues**

1. Earnings generated during the project implementation through the sales of products and merchandise, participation fees or any other provisions of services against payment must be deducted from the amount of costs incurred by the project. This deduction will be made in full or pro-rata depending on whether it was generated entirely or partly by the co-financed project.
2. Should the project be identified as revenue-generating in accordance with the definition provided in Article 55(1) of Regulation (EC) No 1083/2006, the MA is entitled to deduct from the final request for payment the estimated net revenue that may be generated by the project.

In order to define the amount to be deducted, the MA shall take into account the criteria listed in Article 55(2) and (3) of the aforementioned Regulation (and its amendments).

3. Where, at the latest three years after the closure of the programme, it is established that a project has generated revenue that has not been taken into account, such net revenue shall - in line with Art 55 (4) of the aforementioned regulation (and its amendments)- be deducted by the certifying authority at the latest on submission of the documents for the operational programme referred to in Article 89(1)(a). The application for payment of the final balance shall be corrected accordingly.

## **§ 14**

### **Assignment, legal succession**

1. The MA is entitled at any time to assign its rights under this contract. In case of assignment the MA will inform the LP without delay.
2. The LP is in exceptional cases and in well-founded circumstances allowed to assign its duties and rights under this contract only after prior written consent of the MA and the MC.

3. In case of legal succession, e.g. where the LP changes its legal form, the LP is obliged to transfer all duties under this contract to the legal successor. The LP shall notify the MA about any change beforehand.

## **§ 15**

### **Termination and repayment**

1. In addition to the right of termination as laid down in § 2.4 the MA is entitled, in whole or in part, to terminate this contract and to demand repayment of subsidy, if
  - a) the LP has obtained the subsidy through false or incomplete statements; or
  - b) the project has not been or cannot be implemented, or it has not been or cannot be implemented in due time; or
  - c) a change has occurred in the project that has put at risk the achievement of the results planned in the approved application, or
  - d) the project outputs and results are not in line with those promised in the approved application; or
  - e) the LP has failed to submit required reports or proofs, or to supply necessary information provided that the LP has received a written reminder setting an adequate deadline and explicitly specifying the legal consequences of a failure to comply with requirements, and has failed to comply with this deadline; or
  - f) the LP has infringed its duty to ask for prior written approval where indicated by this contract or has failed to immediately report events delaying or preventing the implementation of the project funded, or any circumstances that mean a change of the disbursement conditions and frameworks as laid down in this contract; or
  - g) the LP has obstructed or prevented the financial control and auditing as indicated in § 9 of this contract or
  - h) the amount of funding awarded has been partially or entirely misapplied for purposes other than those agreed upon; or
  - i) insolvency proceedings are instituted against the assets of the LP or insolvency proceedings are dismissed due to lack of assets for cost recovery, provided that this appears to prevent or risk the implementation of the programme objectives, or the LP closes down; or
  - j) the provisions of § 11 point 6 and 12 points 3 of this contract are infringed or the LP does - for any other reasons - not make available the outputs to the MA; or
  - k) regulations of EU-law including the horizontal policies or national regulations have been violated; or
  - l) it has become impossible to verify that the final progress report is correct and thus the eligibility of the project by funding from CENTRAL EUROPE Programme, or

- m) the LP has failed to fulfil any other conditions or requirements for assistance stipulated in this contract and the provisions it is based on, notably if these conditions or requirements are meant to guarantee the successful implementation of the programme objectives.

Prior to or instead of terminating the contract as provided for in this article, the MA may suspend payments as a precautionary measure, without prior notice.

2. If the MA exercises its right of termination and the LP is demanded full or partial repayment of amounts already paid, the LP is obliged to transfer the repayment amount to the MA. The repayment amount is due within three months following the date of the letter by which the MA asserts the repayment claim; the due date will be stated explicitly in the order for recovery.
3. If the MA exercises its right of termination, offsetting by the LP is excluded unless its claim is undisputed or recognised by declaratory judgement.
4. If the MA exercises its right of termination and the LP is demanded full or partial repayment of amounts already paid, the amount repayable shall be subject to interest. The interest rate will be determined in accordance with Article 102(2) of Regulation (EC) No 1083/2006.
5. Bank charges incurred by the repayment of amounts due to the MA shall be borne entirely by the LP.
6. If any of the circumstances indicated in the aforementioned point 1 of this paragraph occur before the full amount of subsidy has been paid to the LP, payments may be discontinued and there shall be no claims to payment of the remaining amount.
7. Any further legal claims shall remain unaffected by the above provisions.

#### **§ 16** **Force majeure**

1. Force majeure shall mean any unforeseeable and exceptional event affecting the fulfilment of any obligation under this subsidy contract, which is beyond the control of the LP and PPs and cannot be overcome despite their reasonable endeavours. Any default of a product or service or delays in making them available for the purpose of performing this contract and affecting the project performance, including, for instance, anomalies in the functioning or performance of product or services, labour disputes, strikes or financial difficulties do not constitute force majeure.
2. If the LP or PPs are subject to force majeure liable to affect the fulfilment of its/their obligations under this subsidy contract, the LP shall notify the MA via the JTS without delay, stating the nature, likely duration and foreseeable effects.
3. If the MA is subject to force majeure liable to affect the fulfilment of its obligations within the framework of this subsidy contract, it shall notify it to the LP without delay, stating the nature, likely duration and foreseeable effects.
4. Neither the LP nor the PPs shall be considered to be in breach of their obligations to execute the project if it has been prevented from complying by force majeure. Where LP or PPs cannot fulfil their obligations to execute the project due to force



majeure, grant for accepted eligible expenditure occurred may be made only for those activities which have actually been executed up to the date of the event identified as force majeure. All necessary measures shall be taken to limit damage to the minimum.

#### **§ 17** **Litigation**

1. This contract is governed by and construed in accordance with the laws of the Federal Republic of Austria.
2. In case of disputes between the MA and the LP, presumption of the good faith from the LP will be privileged and, prior to litigation, mediation procedures shall be set in place.
3. In case of litigation the venue is the court of competent jurisdiction at the seat of the Administration of the City of Vienna (location 1010 Vienna, City Hall). Legal proceedings will be in German.

#### **§ 18** **Concluding provisions**

1. All correspondence with the MA/JTS under this contract must be in English and has to be sent to the following address:

**CENTRAL EUROPE**  
**Joint Technical Secretariat**  
**Museumstrasse, 3/A/III**  
**1070 Vienna, Austria**  
**email: info@central2013.eu**

2. If any provision in this contract should be wholly or partly ineffective, the parties to this contract undertake to replace the ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision.
3. Moreover, the provisions mentioned in § 1 of this contract (as amended from time to time) shall apply and the rights and obligations derived thereof become part of this contract.
4. Amendments and supplements to this contract and any waiver of the requirement of the written form must be in written form and have to be indicated as such.
5. Any costs, fees or taxes not eligible or any other duties arising from the conclusion or implementation of this agreement shall be borne by the LP.
6. Two copies will be made of this agreement; of which each party keeps one. The LP is free to accept and sign this contract within two months after having been offered it by the MA (date of the submission by e-mail). After two months the offer of the MA loses any relevance.

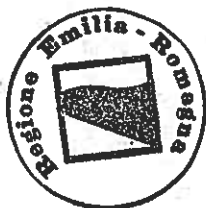
7. This contract remains valid as long as any duties linked to the ERDF subsidy might be claimed and in any case at least until 31 December 2022.

BOLOGNA, 20/10/2011  
(Place + Date)

Vienne, 22 November 2011  
(Place + Date)

ING. PAOLO FERRECCHI  
GENERAL DIRECTOR FOR INFRASTRUCTURAL  
NETWORKS, LOGISTICS AND MOBILITY  
SYSTEMS  
(Name(s) Signer(s) Lead Partner and function)

Christiane Szemik  
(Name(s) Signer(s) MA)



IL DIRETTORE GENERALE  
Reti Infrastrutturali,  
Logistica e Sistemi di Mobilità  
Ing. Paolo Ferrecchi  
(Signature + Stamp)

(Signature + Stamp)



Annexes:

- Updated Application Form - including the fulfillment of conditions set by the MC
- Decision of the CENTRAL EUROPE MC

The following documents, which are an integral part of this contract, can be downloaded from the Programme's website [www.central2013.eu](http://www.central2013.eu):

- Control and Audit Guidelines
- Application Manual<sup>4</sup>
- Implementation Manual
- EC Regulations

<sup>4</sup> The specific Manual of the application round in which the project has been approved applies.