

EIT DIGITAL 2022 SUBGRANT AGREEMENT (Financial Support to Third Parties)

This Agreement for providing financial support to third parties (subgrant), hereinafter referred to as the "Agreement", is entered into by and between:

Stichting VU, operating and doing business as Vrije Universiteit Amsterdam ("EIT Partner"), an organisation under the laws of the Netherlands having its registered office at De Boelelaan 1105, 1081 HV Amsterdam, the Netherlands herein represented by R.W. de Crom, Managing Director School of Business and Economics faculty.

And

Corvinus University of Budapest ("Subgrantee"), an organisation under the laws of **Hungary** having its registered office at **8. Fővám tér, 1093 Budapest**, , herein represented by **Prof. Dr. Takáts Előd**.

Hereinafter individually or collectively referred to as "Party" or "Parties".

Whereas the EIT on the one hand and EIT Digital IVZW, having its registered office at Rue Guimard 7, 1040 Brussels, hereinafter referred to as "KIC LE", on the other hand have entered into a Partnership Agreement effective as from January 1, 2021 ("PA"), laying down the general terms and conditions under which the KIC EIT Digital must operate as an institutionalized European partnership;

Whereas the EIT has awarded a grant for the Relevant Year, hereinafter "the Grant", to the KIC EIT Digital and the KIC LE has entered into the Grant Agreement 2021 ("GA") with EIT;

Whereas the EIT Partner, as a KIC Partner, (i) has entered into an Internal Agreement Grant with KIC LE with an effective date of January 1st, 2021, transposing the provisions of the PA, and (ii) has acceded to the GA by signing the Accession Form to the GA 2021 in the form attached as the Annex 3 to the GA or is listed as an Affiliated Entity in article 8 of the GA;

Whereas the EIT Partner is willing to provide financial support under the funding received from EIT to the Subgrantee for certain innovation, research or education activities carried out by the Subgrantee, as a so-called third party receiving financial support, and Subgrantee is willing to receive such funding under the terms and conditions of the GA and the terms and conditions of this Agreement;

Now therefore it has been agreed as follows:

1. DEFINITIONS

Words beginning with a capital letter shall have the meaning defined either herein or in the Rules of Participation for Horizon Europe or in the PA, (M)GA, or in the Statutes and the By-Laws of KIC LE, including their respective Annexes.

1.1 **KIC added value Activity** means an activity carried out by KIC EIT Digital in accordance with the KIC EIT Digital Business Plan, contributing to the

integration of the knowledge triangle, including the establishment, administrative and coordination activities of the KIC EIT Digital, and contributing to the overall objectives of the EIT.

- 1.2 **Subgrant** means the financial support to be given to the Subgrantee in accordance with the terms and conditions of the GA and the terms and conditions of this Agreement and the description of the KIC added value Activities in the Business Plan and as described in the so-called Internal Agreement Grant. For clarity: a subgrant is not a subcontract. This means that this agreement is not governed by a procurement or invoicing process. It is a condition for this Agreement to become effective that a Grant Agreement between EIT Partner and EIT funder is signed.

2. TERMS AND CONDITIONS FOR THE SUBGRANT

- 2.1 The Subgrantee will take part in the following KIC added value Activity: **21585 HEI Capacity Building Initiative**, implemented under task identifier **21585-A2215 HEI IVAP Implementation** by the *EIT Partner 1338 Vrije Universiteit Amsterdam* as further defined in Annex I to this Agreement and in accordance with the state of the art.

The Subgrantee shall carry out the tasks according to Annex I from **01/07/2022** until **30/06/2024** at the latest and shall report to the EIT Partner on the activities' progress in regular intervals.

Such reports shall contain detailed information on the results generated by the Subgrantee (if any).

The EIT Partner shall be entitled to include the main issues regarding the KIC value added Activities according to Annex I in its reporting towards EIT and KIC EIT Digital. Publications of such main issues shall require the Subgrantee's prior information.

- 2.2 The EIT Partner shall give financial support for the KIC added value Activity carried out by the Subgrantee, within the limits specified by the GA. The maximum amount of subgrant under this Agreement is **328.750,00** EUR but shall in any case never exceed 500,000 EUR.

The Subgrantee shall be entitled to claim eligible costs for the KIC added value Activities in accordance with the following: Such eligible cost are travel costs, accommodation costs, subsistence costs, remuneration costs (daily rates based on actual direct costs & timesheets, calculated in accordance with the method provided for in section 6.2 of the GA) and a flatrate Indirect Cost of 25% of the eligible direct costs as defined in the GA. For the full overview of the eligibility of the costs incurred, reference is made to Article 6 of the GA. The financial support shall take the form of a reimbursement of the proportion of the eligible costs of KIC added value activities actually incurred.

- 2.3 The Subgrantee shall provide a cost report to the EIT Partner. The Subgrantee shall use a cost and financial reporting template to be provided by the EIT Partner. The following elements should at least be included in these cost report templates:

- a) A description of the KIC Added Value Activities supported and implemented in accordance with Annex I;
- b) A financial statement of costs actually incurred;
- c) Detailed information with evidence on those costs actually incurred for the implementation of the KIC added value Activities as described in Annex I, that permit justification of the eligibility of the costs.

- 2.4 The EIT Partner will transfer the amount of the Subgrant to the Subgrantee on the basis of a written payment request by the Subgrantee to be sent up to once a year, following receipt of the costs and financial reports set forth above, and in yearly instalments as laid down in in the budget attached hereto and a decision of the EIT Partner for awarding the amount to the Subgrantee, provided the terms and conditions of this Agreement are complied with. The payment shall be made within thirty days of receipt of the accepted written payment request however always provided that the conditions listed in Section 2.3 are met by the Subgrantee. The balance payment should be made not later than January 31st in the year following the Relevant Year.
- 2.5 The Subgrantee shall adhere in the execution of this Agreement to all applicable laws, rules and regulations, including, but not limited to safety, security, welfare, social security and fiscal laws, rules and regulations. Especially, Subgrantee shall not be entitled to act or to make legally binding declarations on behalf of the EIT Partner, KIC EIT Digital or EIT and shall indemnify all of the latter from any third party claim resulting from a breach of these obligations.
- 2.6 The liability of the EIT Partner under this Agreement shall in any case be limited to the amount of the financial support provided to Subgrantee hereunder and each party shall not be liable for any indirect or consequential damages. This limitation of liability shall not apply in cases of wilful intent or gross negligence.
- 2.7 The Subgrantee shall fully and exclusively bear the risks in connection with the KIC Added Value Activities for which financial support is granted by the EIT Partner. The Subgrantee shall indemnify KIC LE and the EIT Partner for all damages, penalties, costs and expenses which KIC LE or the EIT Partner as a result thereof would incur or have to pay to EIT or any third parties with respect to such KIC Added Value Activitiy financially supported and/or for any damage in general which KIC LE or the EIT Partner incurs as a result thereof. In addition, should the EIT, in accordance with the PA or the GA, have a right to recovery regarding the subgrant under this Agreement, the Subgrantee shall pay the sums in question in the terms and the date specified by the EIT Partner, in execution of any request formulated by EIT, KIC LE or the EIT Partner. Moreover the Subgrantee shall indemnify and hold KIC LE and the EIT Partner, their respective officers, directors, employees and agents harmless from and against all repayments, loss, liability, costs, charges, claims or damages that result from or arising out of any such recovery action.

3. CONDITIONS FROM THE GA

The EIT Partner receives funding from the EIT and some of the obligations of the EIT Partner under the GA have to be imposed on the Subgrantee by the EIT Partner. The Subgrantee acknowledges and agrees that the contractual obligations of the EIT Partner under Articles 12 (conflict of interest), 13 (confidentiality and security), 14 (ethics), 17.2 (visibility), 18 (specific rules for carrying out action), 19 (information) and 20 (record-keeping) of the GA will be fully applicable to it and shall do everything that is necessary in order to comply with and enable the EIT Partner to comply with these obligations.

The Subgrantee acknowledges and agrees that the bodies mentioned in Article 25 of the GA (e.g. granting authority (EIT), Commission, the European Court of Auditors (ECA) and the European Anti-fraud Office (OLAF), etc.) can exercise their rights also towards the Subgrantee.

Annex II includes the Articles 12, 13, 14, 17.2, 18, 19, 20 and 25 of the GA.

4. INTELLECTUAL PROPERTY RIGHTS

The Subgrantee acknowledges the provisions of Annex 5 Specific Rules, Section "Intellectual Property Rights (IPR) – Background and Results – Access Rights and Rights of Use (-Article 16)", subsection "Ownership of results" of the GA as follows:

"If third parties (including employees and other personnel) may claim rights to the results, the EIT Partner concerned must ensure that those rights can be exercised in a manner compatible with its obligations under the Agreement.

The EIT Partner must indicate the owner(s) of the results (results ownership list) in the final periodic report."

If a third party generates results, the EIT Partner concerned must obtain all necessary rights (transfer, licences or other) from the third party, in order to be able to respect its obligations as if those results were generated by the EIT Partner itself.

Therefore, the Parties agree as follows: the results of the KIC Added Value Activities work performed by subgrantee shall be owned by subgrantee, including intellectual property rights therein. Subgrantee hereby grants EIT Partner all rights to use the results of the KIC Added Value Activities to enable EIT Partner to comply with the GA in its turn.

5. CONFIDENTIALITY

The Parties shall keep in confidence for the duration and for a period of four years after the termination of this Agreement any Party's technical or business information which was declared as confidential, and shall not disclose such information to third parties without the prior written consent of the respective Party. This obligation shall not apply to any information which is:

- proven to have been known to the receiving Party prior to the time of its receipt pursuant to this Agreement; or
- in the public domain at the time of disclosure to the receiving Party or thereafter enters the public domain without breach of the terms of this Agreement; or
- lawfully acquired by the receiving Party from an independent source having a bona fide right to disclose the same; or
- independently developed by an employee of the receiving Party who has not had access to any of the Confidential Information of the other Party.

As far as the EIT Partner is concerned, EIT and KIC LE shall not be regarded as a third party.

6. TERMINATION

Each Party can terminate this Agreement with immediate effect through written notice to the other Party:

- 6.1 if the other Party is in breach of any of its material obligations under this Agreement, which breach is not remediable, or, if remediable, has not been remedied within thirty (30) days after written notice to that effect from the Party not in breach;
- 6.2 if the other Party is declared bankrupt, is being wound up, is having its affairs administered by the courts, has entered into an arrangement with its creditors, has suspended business activities, or is the subject of any other similar proceeding concerning those matters; or
- 6.3 if the other Party is subject to an event of Force Majeure, as defined in the GA, which prevents the other Party from correct performance of its obligations hereunder and such circumstances have lasted, or can reasonably be expected to last more than 3 months.

7. CONCLUDING CONDITIONS

1. Ancillary agreements, amendments, additions hereto shall be made in writing.
2. Any subcontract by the Subgrantee concerning some of its tasks under this Agreement requires the prior written consent of the EIT Partner and does not affect its own obligations resulting from this Agreement. The Subgrantee shall secure that the subcontractor will comply with all obligations – especially coming from the GA, and with regard to confidentiality – resulting from this Agreement and that the results attained by the subcontractor will be available in accordance with Section 4.

3. If any provision of this Agreement is determined to be illegal or in conflict with the applicable law, the validity of the remaining provisions shall not be affected. The ineffective provision shall be replaced by an effective provision which is economically equivalent. The same shall apply in case of a gap.
4. This Agreement will come into force on the date of the last signature.
5. This Agreement shall be governed by and construed in accordance with the laws of Belgium.
6. Any disagreement or dispute which may arise in connection with this Agreement and which the Parties are unable to settle by mutual agreement will be brought before the courts of Brussels.

Done in two original exemplaries, one for each Party.

(EIT Partner)

(Subgrantee)

Stichting VU

Corvinus University of Budapest

Mr. R.W. de Crom

**Prof. Dr. Takáts
Előd**

**Dr. Domahidi
Ákos**

PARTNER SIGNATURE

SUBGRANTEE SIGNATURE

A handwritten signature in blue ink, appearing to read 'R.W. de Crom', with a long horizontal flourish underneath.

Amsterdam, 18 November 2022