The European Community, represented by the Commission of the European Communities, ("the Contracting Authority")

and

DIRECCION GENERAL GUARDIA CIVIL

have agreed as follows:

Special conditions

Article 1 - Purpose

1.1 The purpose of this contract is the award of a grant by the Contracting Authority for the implementation of the Action entitled: "PROJECT SEAHORSE" ("the Action").

1.2 The Beneficiary will be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Beneficiary hereby declares it has noted and accepted.

1.3 The Beneficiary accepts the grant and undertakes to carry out the Action under its own responsibility.

Article 2 - Implementation period of the Action

2.1 This contract shall enter into force on the date when the last of the two Parties signs.

2.2 Implementation of the Action shall begin on: "the day following that on which the last of the two Parties signs"

2.3 The Action's implementation period, as laid down in Annex I, is 36 months.

Article 3 - Financing the Action

3.1 The total cost of the Action eligible for financing by the Contracting Authority is estimated at 2,507,968 €, as set out in Annex III.
3.2 The Contracting Authority undertakes to finance a maximum of €2,000,000 equivalent to 79,75% of the estimated total eligible cost specified in paragraph 1; the final amount shall be established in accordance with Article 17 of Annex II.

**Article 4 - Technical and financial reporting and payment arrangements**

4.1 Technical and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15.1 of Annex II.

4.2 Payment will be made in accordance with Article 15 of Annex II. Of the options referred to in Article 15.1, the following will apply:

First instalment of pre-financing (80% of the part of the forecast budget for the first 12 months of implementation financed by the Contracting Authority: €543,265

Further annual instalment of pre-financing: €628,367

Further annual instalment of pre-financing: €628,367

Forecast final payment (subject to the provisions of Annex II): €200,001

**Article 5 - Contact addresses**

Any communication relating to this contract must be in writing, state the number and title of the Action and be sent to the following addresses:

For the Contracting Authority

Payment requests and attached reports, including requests for changes to bank account arrangements should be sent to:

Copies of the documents referred to above, and correspondence of any other nature, should be sent to:
Article 6 - Annexes

6.1 The following documents are annexed to these Special Conditions and form an integral part of the contract:

Annex I: Description of the Action
Annex II: General Conditions applicable to European Community-financed grant contracts for external Actions
Annex III: Budget for the Action
Annex IV: Contract-award procedures
Annex V: Standard request for payment and financial identification form

6.2 In the event of conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

[Article 7 - Other specific conditions applying to the Action]

7.1 The General Conditions are supplemented by the following:

7.1.1 In conformity with the Article 15.6 of Annex II, the Beneficiary is exempted from the audit requirement.

Done at Brussels in three originals in the English language, two of them for the Contracting Authority and one for the Beneficiary.

For the Beneficiary

For the Contracting Authority