

FP7 Grant Agreement –

ANNEX III - SPECIFIC PROVISIONS RELATED TO “RESEARCH FOR SMES” OR “RESEARCH FOR SME ASSOCIATIONS”

III.1 - Definitions

In addition to the definitions of Article II.1:

SME participant: means a *beneficiary*, referred to as such in Section 1 of Annex I and which meets the definition of an SME as specified in Article 2 of the Rules for participation.

SME Association: means a *beneficiary*, referred to as such in Section 1 of Annex I and which meets the definition established in the call for proposals under which this *project* was selected.

RTD Performer: means a *beneficiary*, referred to as such in Section 1 of Annex I and which meets the definition of a RTD performer as specified in Article 2 of the Rules for participation.

Other beneficiary: means a *beneficiary* other than an *SME participant* or an *SME Association* or a *RTD performer*, referred to as such in Section 1 of Annex I.

Transaction: means Section 2 of Annex I, reflecting the terms of the agreement reached within the consortium on intellectual property rights to be provided to any *SMEs participant* or *SME Association* and the remuneration paid by it to a *RTD Performer*.

III.2- The Transaction

By derogation to Article 10, the *transaction* prevails on any provisions under Part C of Annex II.

Any modification to the *transaction* needs the approval of the Commission by means of an amendment in accordance with Article II.35.

III.3- Consortium agreement

At the latest 2 months after the start date of the *project*, the *consortium* will provide a *consortium agreement* complementing this *grant agreement* and its Annexes as far as rights and obligations between *beneficiaries* are concerned.

The *consortium agreement* or any other agreement concluded by *beneficiaries* may neither affect the rights and obligations of the *Community* as established by the *grant agreement* and its annexes, nor affect the rights and obligations of each *beneficiary* as established by the *transaction*.

III. 4 – Eligible costs and maximum *Community* financial contribution

1 - By derogation to Article II.16, *RTD Performers* may only charge their eligible costs for “*management activities*” and “*other activities*”. For “*research activities*” and “*demonstration activities*” they undertake under the *project*, they shall charge their remuneration to *SMEs participants* or *SME Associations* in accordance with the *transaction*.

SME participants and *SME Associations* may charge as eligible costs under “*research activities*” and “*demonstration activities*”, which ever applies, the paid remuneration of *RTD Performers* in accordance with the *transaction*

2 – Subject to the reimbursement rates established in Article II.16, the financial contribution paid by the **Community** shall not exceed a value equal to 110% of the remuneration charged by **RTD Performers** to **SME participants** or **SME Associations** and effectively paid by these.

III. 5 – Guarantee for RTD performers

Where an **SME participant** or **SME Association** is in the legal impossibility to pay the remuneration established in the **transaction** in favour of one or more **RTD performers**, the **Commission** may authorise the said **RTD Performers** to claim from the **Community** eligible costs in relation to their “**research activities**” and “**demonstration activities**” deemed to be remunerated by the said **SME participant** or **SME Association**.

These costs shall be reimbursed in accordance with Article II.16 subject to Article II.4.2.

III. 6 – Rights of SME participants or SME Associations

Any decision of the **consortium** must be agreed by at least the majority of **SME participants** or **SME Associations**.

Where no agreement can be reached, the **coordinator** shall without delay inform the **Commission**. Recourse to Article II.8 and/or II.37 and/or II.38 may be applied where appropriate.