

Ministry of Cohesion and Regional Development, Kotnikova 5, SI – 1000 Ljubljana, Slovenia, **acting as the Managing Authority** (hereinafter referred to as the **MA**) **of the Interreg Programme Slovenia-Hungary**, hereinafter referred to as IP SI-HU, represented by **Name, the Head of MA**,

and

Organisation, represented by its authorized representative, **Name, Title, acting as Lead Partner** (hereinafter referred to as **LP**) and representing the partners (according to Partnership Agreement) of the respective small scale project

hereby conclude the following

ERDF SUBSIDY CONTRACT NO ...

The subject matter of this ERDF Subsidy Contract (hereinafter referred to as **Contract**) is the legally binding agreement on implementation and management of the

Small-scale project Name:	
Project Acronym:	
Project Number:	
LP Organisation:	
Priority:	
Specific Objective:	
Project start date:	
Project end date:	

Article 1 Legal framework

1. This Contract is concluded on the basis of:
 - a) Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 966/2012, together with related Delegated or Implementing Acts, with all the amendments;
 - b) Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget, with all the amendments;
 - c) The European Structural and Investment Funds Regulations, Delegated and Implementing Acts for the 2021-2027 period, especially:
 - Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021, laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the

- Instrument for Financial Support for Border Management and Visa Policy (Common Provisions Regulation – hereinafter referred to as **CPR**), with all the amendments;
- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (hereinafter referred to as **Interreg Regulation**), with all the amendments;
 - Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (hereinafter referred to as **ERDF Regulation**), with all the amendments;
- d) Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing directive 95/46/EC (General Data Protection Regulation, hereinafter referred to as **GDPR**), with all the amendments;
 - e) Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid relevance, Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, with all the amendments; Delegated and Implementing acts, as well as all applicable decisions and rulings in the field of State aid;
 - f) Community and national rules for public procurement and entry into the markets, protection of the environment, equal opportunities between men and women, State aid/de minimis rules and prevention of fraud;
 - g) Commission Decision C (2019) 3452 of 14 May 2019 laying down the guidelines for determining financial corrections to be made to expenditure financed by the Union for non-compliance with the applicable rules on public procurement, with all the amendments;
 - h) Regulation (EU, Euratom) No 883/2013, as regards cooperation with the European Public Prosecutor's Office and the effectiveness of the European Anti-Fraud Office investigations, with all the amendments;
 - i) National and EU rules applicable to the LP and its Project Partners (hereinafter referred to as **PP**) and their activities;
 - j) Interreg Programme Slovenia-Hungary 2021-2027, with all the amendments;
 - k) Strategic Environmental Assessment (SEA) of the Interreg Programme Slovenia-Hungary 2021-2027;
 - l) Open Call for Small-Scale small scale Project Proposals, with all the amendments;
 - m) Manual for Beneficiaries for Small Scale Projects, with all the amendments;
 - n) Latest valid version of the Application Form, including all approved changes, as stored in the Joint electronic monitoring system (hereinafter referred to as **Jems**);
 - o) Decision of the Monitoring Committee (hereinafter referred to as the MC) on the approval of the project.
2. Principles to be applied especially in case EU regulations are in place for a certain topic take precedence. The programme may set programme-specific rules in the Manual for Beneficiaries for Small Scale Projects for Small Scale Projects respecting the framework provided by the EU and national rules. In case none of the above has regulated a certain topic, national rules apply.

Article 2

Award of Subsidy

1. The MC has approved the project [XX] on [date]. The decision of the MC is based on the criteria set out in the Manual for Beneficiaries of Small Scale Projects and approved by the MC.

2. On the basis of the MC decision the subsidy of maximum [amount] EUR is awarded by the MA to the LP organisation of the project from the ERDF funds.

3. Approved financial plan and ERDF contribution (EUR)

Approved ERDF contribution (maximum amount)	EUR
National contribution (maximum amount)	EUR
TOTAL FUNDING	EUR

4. The project financing is the sum of the total amount of contributions coming from the partners from the participating Member States (national and own contribution) and the total amount awarded from ERDF funds of the IP SI-HU. All contributions are considered maximum provisional amounts.

5. The disbursement of ERDF Subsidy is conducted in accordance of the PP ERDF Subsidy rate as approved in the Application Form (hereinafter referred to as the **AF**).

6. LP acknowledges that during the implementation project can become State aid relevant. In such case the LP shall immediately inform the MA/JS in written form about it. LP agrees that provisional amounts of ERDF co-financing may be reduced based on a revised project State aid opinion. In case of recognized State aid, LP and PPs shall provide the adequate amount to complete the reduced ERDF co-financing to the planned project value from their own financing.

7. ERDF Subsidy will be paid only after all programme management verifications have been carried out adequately.

8. If the European Commission (hereinafter referred to as the **EC**) fails to make EU funds available to the IP SI-HU for any reason, the MA is entitled to withhold payments for as long as is needed or, as an ultimate tool, to terminate this Contract.

9. In case of failure to achieve the targets relating to output indicators no ERDF subsidy will be paid.

Article 3

Object of use, eligibility of costs and project changes

1. The Subsidy is awarded exclusively for the implementation of the project as it is described in the latest valid version of the AF.

2. The LP shall implement the project with the requisite care, efficiency, transparency and diligence, in line with best practice in the field concerned and in compliance with this Contract. For this purpose, the LP shall mobilize all the financial, human and material resources required for full implementation of the project as specified in the AF.

3. To be co-financed by the programme, project expenditure has to comply with the methods for determining the costs of the project on simplified cost options as defined in the Manual for Beneficiaries for Small Scale Projects and last valid version of the AF.

4. Costs which qualify for a Subsidy pursuant to Article 2 of this Contract, exclusively consist of conditions for support as defined in the budget structure of the latest valid AF. The eligibility of costs for ERDF is regulated by the compliance of the expenditure with the provisions of Article 1 and Article 6 of this Contract. Partner Reports must be validated JS and then submitted by the LP within the Project Report to the Joint Secretariat (hereinafter referred to as **JS**) in compliance with the procedure set out in the Manual for Beneficiaries for Small Scale Projects.
5. The LP is entitled to apply for change of duration during project implementation. The project changes have to be approved either by the MA/JS.

Article 4 **Request for payments**

1. The LP may only request payments by providing proof of progress of the project as described in the latest valid version of the AF. All reports are filled in in the Jems, where also all checks are made. Instructions are laid down in the reporting forms and in the Manual for Beneficiaries for Small Scale Projects.
2. The Partner Reports have to be submitted for verification in the Jems within the deadline set by the MA/JS.
3. In case the JS has questions on the reports, PPs will be given time to answer those questions. If no reply is received within the deadline, the JS will proceed with the information that is available. Where the JS does not have enough information justifying the eligibility of the cost, it will be deemed ineligible.
4. Based on the fact that payments by the EC to the MA will only be made in accordance with the corresponding budget commitments, as set in Article 105 of CPR, the LP must request payments in accordance with the latest valid version of the AF. Payments not requested in time, in full or non-compliant with the procedure set in the Manual for Beneficiaries for Small Scale Projects may be lost if the IP SI-HU experiences a de-commitment. The consideration whether payments are reduced due to the de-commitment process will be done at the end of each year of the approved project duration time. A failure to comply with the requirements set for the proper audit trail may lead to reduction or ending of the payments.
5. In case of system errors detected within audits, the MA also has the right to temporarily withhold payments. Payment suspension(s) shall be lifted as soon as observations and/or reservations raised by the relevant bodies have been withdrawn.
6. Once the Project Report has been received by the JS, the admissibility check, content and financial assessment of the Project Report by the JS and validation by the MA have been completed successfully, the Body performing the accounting function (hereinafter referred to as **BAF**) will transfer the eligible ERDF Subsidy to the LP without any delay, given that funds are available. The ERDF amount will be disbursed in EUR only and transferred to the account of the LP as indicated by the LP in Jems. In exceptional cases the funds can be transferred directly to the PPs. By paying out the Subsidy according to this Contract the MA fulfils its obligations resulting from the present Contract.
7. The MA is entitled to withhold any ERDF payment until all unclear issues related to the implementation, management and reporting are clarified and is also entitled to deduct any ineligible cost found during the validation process.

8. The LP is committed to ensure at least 20% of their own contribution and/or other sources as indicated in the AF.

Article 5

Obligations and liability of the Lead Partner

1. The LP bears sole financial and legal responsibility for the completion of the project.
2. The LP guarantees that the project is implemented and managed in accordance with the legal framework in Article 1 of this Contract.
3. The LP guarantees that it is entitled to represent the PPs participating in the project bearing the sole responsibility of delivering as well as receiving all the information relevant for the project management between LP and PPs and that it has established with the PPs the division of the responsibilities in the form of a Partnership Agreement. The MA is not a party in the Partnership Agreement or in the disputes that may arise between the contracting parties or towards third parties.
4. The LP is directly responsible for forwarding all relevant information and guidance given by the MA and JS to the PPs.
5. The LP guarantees furthermore that the whole partnership has complied with all requirements under the applicable legal framework set by the Article 1 of this Contract.
6. The LP is liable towards the MA for ensuring that:
 - a) the project implementation is in line with the work plan, the time schedule and the approved budget, as indicated in the latest valid version of the AF;
 - b) all PPs have a legal status which is in line with the definition in the Manual for Beneficiaries for Small Scale Projects in force on the date when this Contract is signed;
 - c) all expenditure reported in the Project Report has been validated according to the procedures set in the Manual for Beneficiaries for Small Scale Projects;
 - d) all PPs fulfil their obligations under this Contract and with respect of the legal requirements set by the Article 1 of this Contract;
 - e) State aid/de-minimis rules are applied as instructed in the Manual for Beneficiaries for Small Scale Projects and that any organisation receiving ERDF and national public subsidies under the IP SI-HU complies with the State aid/de-minimis rules (if this is not the case, the MA is entitled to recover the ERDF sums unduly paid);
 - f) adequate resources and time are reserved for the closure measures prior to the actual closure date indicated in the latest valid version of the AF and in this Contract.
7. If the MA demands repayment of Subsidy funds in accordance with this Contract, the LP is liable to the MA for the total ERDF amount of the Subsidy. LP is responsible for the transfer of repayment of any ineligible ERDF amount to the BAF. The transfer shall be made within 90 calendar days after the receipt of the official notification from the BAF in which the demand for the repayment on the basis of information provided by the MA is given.
8. The MA cannot under any circumstances or for any reason be held liable for damage or injury sustained by the staff or property of the LP or the PPs during the project implementation. The MA

therefore cannot accept any claim for compensation or increases in payment in connection with such damage or injury.

9. The LP shall assume liability to third parties including liability for damage or injury on 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 a non-compliance of rules or regulations by the LP or PPs as result of violation of a third party's rights.
10. In addition to the obligations of the LP as already stated, the LP undertakes:
 - a) to harmonise the Partnership Agreement with all partners immediately after the signature of this Contract if needed and to inform the JS about any envisaged changes of the Partnership Agreement;
 - b) to inform the MA immediately in case additional EU/public funding (except funding indicated in the latest valid version of the AF) is received for the project expenditure in whole or in part during the whole duration of the project;
 - c) to provide the MA or JS with any information requested without any delay;
 - d) to take all necessary precautions to avoid conflict of interests (incl. PP) and inform the JS without any delay in case of a situation constituting or likely to lead to any such conflict. There is a conflict of interests when impartial and objective exercise of the functions of any person under this Contract is compromised for reasons involving family, emotional life, political or national affinity, and economic interest of any other shared interest with another person.

Article 6 Information and Communication

1. All information and communication measures provided by the beneficiaries must acknowledge support from the IP SI-HU, in compliance with the requirements set by the legal framework in Article 1 of this Contract and the respective part of the Manual for Beneficiaries for Small Scale Projects. In any public material used to promote or disseminate the project activities, whether printed or electronically available, the use of the programme logo or Interreg project logo is mandatory as set in the respective part of the Manual for Beneficiaries for Small Scale Projects.
2. The LP takes full responsibility for the content of any notice, publication or publicity product which has been developed by the LP, any of the PPs, or third parties on behalf of the LP or the PPs. Should a third party claim compensation for damages (e.g. due to an infringement of intellectual property rights), the LP will indemnify the MA should the MA suffer any damage because of the content of the publicity and information material.
3. Any notice or publication relating to the project made in any form and by any means, including digital and online, does not reflect the programme's view and the programme authorities are not liable for any use that may be made of the information contained therein.
4. The MA must be authorised to publish, in any form and on or by any medium, including the Internet, (parts of) the project data in order to fulfil its own reporting, communication and visibility obligations arising from the body of rules and regulations listed in Article 1 of this Contract. Personal data must be processed in line with the GDPR.
5. On behalf of the programme bodies and of other programme promoters, the MA is entitled to use the outputs/results of the project in order to guarantee a wide spread of the project deliverables

and outputs, and to make them available to the public. The LP agrees that the outputs are forwarded by the MA to other programme authorities, as well as to Member States participating in the programme, to use this material to showcase how the co-financing is used.

6. Any communication campaign, media appearance or other publicity of the project must be communicated to the MA/JS for potential website updates or showcases.
7. In the spirit of cooperation and exchange, the LP and the PPs must ensure that all the outputs and results produced are publicly available. They should be accessible and available to the general public in a usable format. The MA/JS and any other relevant programme, EU and national body can use them for information and communication purposes in the framework of the programme.
8. The LP authorises the MA to use communication and visibility material produced by the project to showcase how the co-financing is used. Furthermore, the LP authorises the relevant programme body/ies to forward this material to other programme bodies, programme promoters at national level, as well as Union institutions, bodies, offices or agencies. For this purpose, the LP ensures that a royalty-free, non-exclusive and irrevocable licence to use such material and any pre-existing rights attached to it is granted to the aforementioned Programme and Union bodies in accordance with Annex IX of CPR.
9. The LP is, in the frame of all activities and measures, obliged to inform the public about the support obtained and to ensure that information about the project (aims, partners, amount of funding and its source, a short description of project and its activities) is available on the internet (beneficiary's website, if existing) during project implementation. Once the project has ended this information must include the main results and outputs available for dissemination.
10. In the case of non-compliance with the rules relating to the information and communication, financial corrections may apply, as defined in the legal requirements set by the Article 1 of this Contract.

Article 7

Durability and ownership of results

1. The LP ensures that the arrangements in ownerships, titles and industrial and intellectual property rights on the outputs of the projects are in accordance with this Article.
2. The LP must inform the MA if there is any sensitive or confidential information, or any pre-existing intellectual property rights related to the project that must be respected.
3. The LP ensures that results and outcomes of the project are joint. Consequently, the LP safeguards that each PP shall grant non-exclusive right of use of any produced work to all other PPs. The LP also ensures that while granting these rights to PP the specific national rules and instructions relevant for the ownership rights of the project outcomes and results are taken into account when necessary.
4. The LP ensures that the results of the project, including studies or analysis produced during the implementation shall be made available to the public in order to guarantee a widespread publicity of the project's outcomes in accordance of the approved AF and Partnership Agreement.

Article 8

Irregularities and repayments

1. In case of irregularities identified by programme body, national body or any relevant EU body during the project implementation the MA/JS is entitled to claim the repayment of contribution from the ERDF Funds in full or in part from the LP based on the irregularity report.
2. Therefore, in accordance with Article 26(1) a) of the Interreg Regulation the LP is always responsible for repayment of the ERDF Funds unduly paid to the project.
3. If the MA/JS sends a request for repayment of the amount of ERDF Funds unduly paid, the LP is obliged to secure repayments from the PPs concerned and repay the amount specified by the MA/JS within 90 days from the sending date of the request for repayment. The due date for the repayment will be explicitly given in the request for repayment.
4. If the LP cannot recover the ERDF Funds unduly paid to a PP on the basis of the partnership agreement existing between them, the LP shall inform the MA/JS in written form without prejudice of its obligation under point 2 of this Article.
5. The MA/JS has the right under this Contract to impose interest on late payment on the amount paid back by the LP belatedly. In case of any delay in the repayment, the amount to be recovered shall be subject to interest on late payment, starting on the calendar day following the due date and ending on the actual date of repayment. In line with the Article 88 (2) of CPR the rate of interest on late payment shall be one-and-a-half percentage points above the rate applied by the European Central Bank in its main refinancing projects on the first working day of the month in which the due date falls.
6. The MA/JS shall be informed by the LP in case an investigation on irregularity is ongoing for the project after its end date. In case the decision on irregularity is not available at the time of the submission of the final Project Report, the financial closure of the project might be suspended by the MA/JS for a maximum of 6 months from the deadline of submission of the final Project Report but not later than the Programme closure.
7. Expenditure found eligible as a result of the irregularity procedure can be claimed only before the final payment to the project is approved by the MA/JS.

Article 9

Right of termination

1. In addition to the right of termination laid down in Article 2 of this Contract, the MA is entitled depending on the case, totally or partially to terminate this Contract by a registered letter and, where relevant, to demand total or partial repayment of funds, if:
 - a) the information the PPs were required to provide in the assessment and selection procedure, negotiation phase or the implementation of the project was false or incomplete or forged; or
 - b) the LP and PPs receive additional funding from the European Union for all or part of the project expenditure reported under the programme during the period of the implementation of the project; or
 - c) the project has not been or cannot be implemented, or it has not been or cannot be implemented in due time; or
 - d) a change has occurred in the project, e.g. with regard to nature, scale, ownership, cost, timing, partnership or completion of the project, that has put at risk the achievement of the results planned in the AF; or

- e) the project failed to reach the objectives, results and outputs planned in the Application Form, unless duly justified; or
 - f) the termination of the participation of a project partner or a change in a project partner's status substantially affects the implementation of the project or puts into question the award decision; or
 - g) 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
 - h) the LP has failed to immediately report events delaying or preventing the implementation of the project funded, or any circumstances leading to its modification; or
 - i) project reporting does not follow the set schedules, making it impossible to determine that the project is being implemented according to plan and it will achieve the set objectives, results or outputs; or
 - j) the LP has impeded or obstructed controls and audits; or
 - k) the LP is not fulfilling its LP obligations, including communication with the MA and JS; or
 - l) the Subsidy awarded has been partially or entirely misapplied for purposes other than those agreed upon; or
 - m) 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
 - n) the PPs, or any related person, have committed fraud or are involved in any illegal activity detrimental to the EU's financial interests; or
 - o) it has become impossible to verify that the report is correct and thus the eligibility of the project; or
 - p) EU legislation and/or national legislation has been violated; or
 - q) the LP has failed to fulfil any other conditions or requirements for assistance stipulated in this Contract.
2. If the MA exercises its right of termination and decides to terminate ERDF funds, the LP is obliged to transfer the repayment ERDF amount to the BAF. The ERDF repayment amount is due within 90 calendar days following the date of the letter by which the BAF asserts the repayment claim based on the information received from the MA; the due date will be stated explicitly in the order for recovery.
 3. Bank charges incurred by the repayment of ERDF amounts due to the MA shall be borne entirely by the LP.
 4. Any further legal claims shall remain unaffected by the above provisions.

Article 10 **Archiving of project documents**

The LP is at all times obliged to retain for audit purposes all official files, documents and data about the project in their original form in a safe and orderly manner until 5 years from 31 December of the year in which the last payment by the MA to the LP is made. Longer statutory retention periods stated by national law and State aid regulations remain unaffected. The LP is obliged to store and maintain records and list of bodies holding documentation in the audit trail in accordance with Article 82 and Annex XIII of CPR and as defined in the Manual for Beneficiaries for Small Scale Projects. The maintained and updated records/lists are made available to the MA or JS.

Article 11
Controls, audits and evaluations

1. All the costs in a Project Report submitted by the LP to the JS must be verified in compliance with the requirements set by the legal framework in Article 1 and Article 6 of this Contract.
2. The Audit Authority of the IP SI-HU, the responsible auditing bodies of the EU and, within their responsibility, the auditing bodies of the participating EU Member States as represented in the Group of Auditors or other national public auditing bodies are entitled to audit the proper use of funds by the LP or by the PPs or arrange for such an audit to be carried out by authorized persons.
3. The LP as well as PPs will produce all documents required for the above controls and audit, provide necessary information and give access to its business premises.
4. The LP as well as PPs must also provide all necessary information and access to documents for the purpose of carrying out programme or project evaluations to any authorised evaluator.
5. The MA has the right to withhold the payment to the LP until all the required information and documentation have been delivered.
6. The MA has the right to suspend payment should the project become subject to controls or audits by the MA/JS, AA or relevant EU bodies until these controls or audits have been completed. Should the AA issue statements on the national control systems and identify problems of a systemic character, the MA has the right to suspend payments to the LP until the case has been resolved.
7. In case this Contract has been terminated, the rights and duties stipulated in this Article must, however, persist.

Article 12
Assignment, legal succession

1. The MA is entitled at any time to transfer its rights and duties 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 transfer its duties and rights under this Contract only after prior written consent of the MA and the MC.
3. In cases of legal succession, e.g. where the LP or a PP changes its legal form, the LP or PP is obliged to transfer all duties under this Contract to the legal successor. The LP shall notify the MA about any change beforehand in written.

Article 13
Integrity Commitment

1. LP warrants and undertakes that no person, involved in the project preparation or implementation, to its present knowledge has committed, any of the following acts and that no person, with its consent or prior knowledge, has or will commit any such act, that is to say:
 - a) the offering, giving, receiving or soliciting of any improper advantage to influence the action of a person holding a public office or function or a director or employee of a public authority or public enterprise or a director or official of a public international organisation in connection

- with any procurement process or in the execution of any contract in connection with the Project; or
- b) any act which improperly influences or aims improperly to influence the procurement process or the implementation of the Project to the detriment of the LP, including collusion between tenderers.
2. LP undertakes to inform the MA if it should become aware of any fact or information suggestive of the commission of any such act.

Article 14

Data management and data protection

1. Any personal data under this Contract must be processed by the LP/PP, MA/ JS or other relevant programme bodies in accordance with the provisions of GDPR.
2. In accordance with Article 4 of CPR, the MA, other programme bodies and the Commission must be allowed to process personal data, where necessary for the purpose of carrying out their respective obligations under the body of rules and regulations referred to in Article 1 of this Contract, in particular for monitoring, reporting, communication, publication, evaluation, financial management, verifications and audits and, where applicable, for determining the eligibility of participants.
3. The MA may transfer project and /or personal data to relevant programme bodies and national authorities for the same purposes as listed in paragraph 2 of this Article.

Article 15

Force majeure

1. Force majeure shall mean any unforeseeable and exceptional event affecting the fulfilment of any obligation under this Contract, which is beyond the control of the MA/JS, LP and PPs and cannot be overcome despite their reasonable endeavours (e.g. substantial changes due to changes in political or financial terms). 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 Contract, the LP shall notify the MA/JS without delay, stating the nature, likely duration and foreseeable effects.
3. MA/JS may suspend the implementation of the project part concerned and decide on the suspension of payment to the project partner that is subject to force majeure until it cannot fulfil its obligations under this Contract. In this case the LP shall initiate the modification of the project documentation, if necessary. In case force majeure no longer exists, LP shall notify MA/JS without delay.
4. If the MA/JS is subject to force majeure liable to affect the fulfilment of its obligations within the framework of this Contract, it shall notify it to the LP without delay, stating the nature, likely duration and foreseeable effects.

5. Neither the MA/JS nor the LP or the PPs shall be considered to be in breach of their obligations to execute the project if it has been prevented from being implemented due to force majeure. Where LP or PPs cannot fulfil their obligations to execute the project due to force majeure, only eligible expenditure for those activities which have actually been implemented until the date of the event identified as force majeure may be reimbursed. All necessary measures shall be taken to limit damages to the minimum.

Article 16
Concluding provisions

1. This Contract shall take effect on the date it is signed by both parties covering the approved duration time of the project and shall expire only after the retention date for audit purposes, as defined in Article 10 of this Contract. The specific requirements set by Article 1 of this Contract concerning irregularities are valid for the LP and PPs beyond the expiration date of the Contract.
2. The IP SI-HU uses the Jems for reporting, applying for project changes and other procedures related to the implementation of the project. Each user is responsible for keeping safe the user's name and password and is responsible for all activities done with their user name.
3. The correspondence with the MA and JS under this Contract must be in writing and bilingual in Slovene and Hungarian language. Only in exceptional cases, English language is allowed.
4. Contact person responsible for the execution of this Contract from the JS on behalf of the MA is Name of the JS member.
5. All programme related relevant information for the LP and PPs is available on the programme's website www.SI-HU.eu in Slovene, Hungarian or English language.
6. If any provision in this Contract should be wholly or partly ineffective, the parties to the Contract will replace ineffective provision by an effective provision which comes as close as possible to the purpose of the ineffective provision. This procedure is conducted in written form by the parties concerned. In case of differences that are not ruled by this Contract the parties concerned will agree on aiming to find a mutual consent on the issue.
7. Amendments and supplements to this Contract and any waiver of the requirement must be in written form.
8. All decisions made by the MA or JS can be appealed against according to specific Complaint procedures in place by MA and JS as described in the Manual for Beneficiaries for Small Scale Projects.
9. This Contract is governed by the laws of the Republic of Slovenia. In case of any dispute between the parties concerning their contractual relationship, which could not be resolved amicably, the dispute shall be referred to the place of jurisdiction which is Court in Ljubljana, Republic of Slovenia.

Signatures:

Place and date:	Place and date:
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..... Signature Name Head of MA Ministry of Cohesion and Regional Development, Kotnikova 5, SI – 1000 Ljubljana, Slovenia Stamp of the organisation Signature Name Title Name of organisation acting as LP Stamp of the organisation (if applicable)
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