

Partnership Agreement
between the Coordinator and the Project Partner
in the following project supported by the European Commission:

Initiative for Innovative Integrated Interventions in Miskolc – 4IM
(Miskolc shall be a place for everyone)
Number of Grant Agreement: VS/2021/0249

entered into by and between:

Organization: Municipality of Miskolc Municipality with County rank
Represented by: Pál Veres, mayor
Registered office: 3525, Miskolc, Városház tér 8.
Tax number: 15735605-2-05
Bank managing the bank account: CIB Bank Ltd.
Bank account number: 10700086-42689106-68700009
(hereinafter: the Coordinator)

on the one hand, and:

Organization: City of Košice (Mesto Košice), Trieda SNP 48/A, 040 11 Košice, Slovakia
Represented by: Ing. Jaroslav Polaček, Mayor.
Registered office: Municipality, business ID 00691135.
Tax number: SK 2021186904
Bank managing the bank account: Všeobecná Úverová Banka, a.s.
Bank account number: SK97 0200 0000 0045 7172 6153
(hereinafter: the Beneficiary/Partner)

on the other (hereinafter jointly: Parties) on the day and at the place written below, under the following terms and conditions:

Precedents

The Parties establish it as a fact that a Grant Agreement (no: VS/2021/0249) was concluded on 26 November 2021 between the European Commission representing the European Union and the Coordinator and other beneficiaries specified in the Grant Agreement to implement and to finance the implementation of the objective **Initiative for Innovative Integrated Interventions in Miskolc – 4IM (Miskolc shall be a place for everyone)** (hereinafter: the Project).

In its Letter of Intent (Mandate) the Partner authorized the Coordinator to sign the Grant Agreement and so undertake the rights and obligations under the Grant Agreement on behalf of the Beneficiary as well.

1.
Subject of the agreement

The subject of this Agreement is the implementation of the project **Initiative for Innovative Integrated Interventions in Miskolc – 4IM (Miskolc shall be a place for everyone)** based on the Grant Agreement with identification number VS/2021/0249, according to the provisions of the following annexes:

- **Annex I:** Grant Agreement
- **Annex II:** Description of the project
- **Annex III:** General conditions (“General conditions”)
- **Annex IV:** Estimated budget of the project
- **Annex V:** Power of Attorneys (mandates) given to the Coordinator by the other Beneficiaries
- **Annex VI.:** Technical report template

2.

Duration of the agreement

This agreement becomes effective on the day when the last of the Parties signs it and shall be terminated when the partner receives the last payment instalment. The duration of the project is 30 months, starting from the date 27.11.2021, as mentioned in Section I.2 of the Grant Agreement.

3.

Obligations

1. The Coordinator and the Partner accept an obligation to do everything in their power in order to facilitate the execution of the goals specified in Annex I of the Grant Agreement (Description of the project).
2. The Coordinator shall fulfil all obligations arising from the Grant Agreement No. VS/2021/0249 and the approved application. In particular, the Coordinator shall fulfil the following obligations:
 - assigns a project manager and a financial manager who accepts operative responsibility for the execution of the entire operation,
 - starts, executes and supervises operation according to the description of the specific components specified in the project description and the work plan;
 - prepares the progress report about the implementation of the project and the detailed cost statement (to request additional prefinancing payments) and the final technical report and financial statement (to request the final payment) and submits the same to the Commission according to the provisions of the Grant Agreement;
 - requests payments from the Commission;
 - receives payments from the Commission and transfers the part each partner is entitled to the partners within 30 days at the latest from the crediting of the amount on its bank account;
 - manages and controls the appropriate use of the awarded grant;
 - performs the general settlement of the operation;
 - communicates with bodies cooperating in the implementation of the project and immediately reacts to their requests;
 - immediately notifies its partners about any such event that might lead to the temporary or permanent halt of the project or to any other difference;
 - presents all the documents required for checks and provides the required information
 - retain at all times for audit and assessment purposes all files, documents and data about the part of the operation for which it is responsible on customary data storage media (server, external storage device) in a safe and orderly manner for a minimum of five years after the payment of the remaining amount, according to the provisions of the financial manual. Other possibly longer statutory retention periods, as might be stated by national law, shall remain unaffected;
 - comply with EU and national legislation.

3. The Partners shall accept the following duties and obligations:

- assign project managers for the parts of the operation for which they are responsible, and authorize the project manager to represent the Partner in the project;
- perform the parts of the project for which they are responsible, according to the description of the specific components specified in the project description and the work plan, following the instructions of the project Coordinator, by the deadline specified by the Coordinator;
- provide the personnel, facilities, equipment and material necessary to perform and complete the Partner's share of work under this Agreement;
- support the Coordinator in preparing the progress reports and the final implementation report by providing the required data by the deadline specified by the Coordinator;
- meet the deadlines coordinated with the Coordinator for the submission of the progress reports, according to the provisions of Annex 2;
- produce and deliver to the Coordinator all information necessary for payment requests;
- immediately notify the Coordinator about any such event that might lead to the temporary or permanent halt of the project or to any other difference;
- prepare all the documents required for audits, provide the necessary information and ensures access to its registered office for audit purposes
- retain at all times for audit purposes all files, documents and data about the part of the operation for which it is responsible on customary data storage media in a safe and orderly manner for a minimum of five years after the final payment by the Commission; other possibly longer statutory retention periods, as might be stated by national law, shall remain unaffected;
- respect all rules and obligations laid down in the co-financing statement each partner has signed for the application;
- react to the requests of bodies coordinating the implementation of the action within 3 days from receiving the notification;
- comply with EU and national legislation.
- comply with the deadlines concerning reporting periods as specified in Annex 2 of this Agreement
- the Partner shall provide the documents to be submitted to the Commission and specified in the Grant Agreement for the Coordinator in the language of the Grant Agreement

4.

Allocation of funds to the Partner

1. The budget of the partners for the implementation of the project concerning the consortium is estimated to be EUR 1 065 398,42
2. The contribution of the Commission to the budget of the partners is estimated to be EUR 762 280,2 at the most from the total eligible costs (of the Partners); from that amount to this Partner, a **maximum of EUR 35 769,99**.
3. The final amount of the contribution of the Commission shall be calculated based on the costs actually incurred in the course of the implementation of the project and approved by the Commission. This is identical to the percentage of the contribution of the Commission to the budget of the partners.

5. Payment Provisions

1. The Coordinator transfers the contribution of the Commission to the Partners according to the following provisions:
 - The amount equal to 30% of the initial first prefinancing the partner is entitled to (EUR 10 731,00) shall be transferred to the Partner within 15 business days from the execution of this Agreement.
 - The amount equal to 40% of the second pre-financing shall be transferred to the Partner after the Coordinator submitted its request for the second pre-financing payment within 60 calendar days following the end of the first reporting period, provided that the Coordinator received the respective pre-financing from the Commission;
 - The amount equal to 20% of the third pre-financing shall be transferred to the Partner after the Coordinator submitted its request for the second pre-financing payment within 60 calendar days following the end of the second reporting period, provided that the Coordinator received the respective pre-financing from the Commission;
 - The amount equal to the balance of the Commission contribution to the budget of the Partner, including the amount equal to 7% of the indirect costs (hereinafter: balance payment) shall be transferred to the Partner within 90 days after the Commission approved the submitted final technical implementation report and financial statement, and transferred the resources to the Coordinator. Payment of the balance shall take place based on the final amount of the contribution of the Commission to the budget of the partners.
2. Transfers shall be made from the Coordinator to the Partner bank account as indicated below:

Partner name: City of Košice (Mesto Košice)
Bank Name: Všeobecná Úverová Banka, a.s.
IBAN: SK97 0200 0000 0045 7172 6153
SWIFT: SUBASKBX

6. Schedule of payments

1. Concerning the budgetary and financial control of the project, the Coordinator shall be responsible towards the Commission as controlling authority. The Coordinator shall be responsible for the realization of the payment requests, their delivery to its partners, and the submission of the request for reallocation between budget lines as defined in the Grant Agreement. In the case of each financial request the Coordinator shall pay the amounts assigned to each partner by bank transfer within 30 days at the latest from the crediting of the amount on the bank account of the Coordinator following the payment of the amount to the Coordinator, without any deduction, retention or any other fees charged.
2. Each Partner shall be responsible for the correctness of the entirety of its accounting and financial reports, receipts related to its budget, to the extent of the amount the partner participates with in the implementation and agrees to make its part from the co-financing available.
3. Each Partner accepts an obligation to keep separate accounting books according to the provisions of the Grant Agreement of the Commission, to be used only for the implementation, or to keep separate analytical accounts. The accounts shall contain records

of all the costs (costs) and returns (income) related to the implementation in euros (EUR; €).

4. Accounting reports or other documents, including copies of all the supporting documents (invoices, documents related to bidding, bank statements, etc.) shall be submitted to the Commission or the body designated for this purpose, dated and counter-signed, certified by the financial employee of the partner, in accordance with the schedule and requirements specified by the Commission. The Partner agrees to provide the documents certifying paid direct costs for the Commission.
5. Payments performed in the national currency shall be exchanged to euro based on the official exchange rate of the EU according to the provisions of the Grant Agreement.
6. In the absence of proof or in case of incompliance with the rules concerning the eligibility of expenses the Commission requests the partners to reword the submitted financial documents. In the case of repeated non-performance the Coordinator shall be entitled to refuse the reimbursement of the expense notified by the partner. In this case the Coordinator shall inform the partner concerned about the refusal of the reimbursement of the notified expense and the reasoning of the same; the controlling authority of the Commission shall also be informed.

7.

Modification of the work plans and budget reallocation

1. If required, for the more efficient implementation of the project the Coordinator can make recommendations for the modification of the work plan. After approval by the Partners such modifications shall become effective immediately, replacing the former version of the Grant Agreement as attached hereto as Annex I.
2. Before requesting the reallocation of costs between budget lines the Coordinator informs its Partners. After approval by the Partners and, if potentially required, by the Commission, the budget reallocation shall become effective immediately, replacing the former version of the budget breakdown, as included in Annex III of the Grant Agreement (Estimated budget of the program).

8.

Reports

1. Every partner commits to providing the Coordinator with the information needed to draw up progress report and other specific documents required by the Commission. The reporting periods as laid down in the Grant Agreement as well as instructions in the reporting forms shall be observed.
2. The Coordinator shall send every Partner copies of the progress report submitted to the Commission and keep the Partners informed on a regular basis of all relevant communication with the bodies implementing the programme.

9.

Confidentiality

1. Although the nature of the implementation of the project is public, a part of the information related to the implementation between the Coordinator and the Partners, the Partners themselves or the Commission may be confidential. Only documents and other items classified as “confidential” can be considered as such.
2. The Coordinator and the Partners accept an obligation to ensure that their employees treat such information confidentially according to the above and shall not distribute, disclose to third parties or use such information without the prior written consent of the Coordinator and the partner institutions providing such information.

3. This obligation is binding for the parties for five years at the most from the day of the payment of the amount of the balance.

10.

Cooperation with third parties

1. The Coordinator shall be informed by the Partners about the subject and party of any contract concluded with a third party.
2. In the event of cooperation with third parties, the Partners shall remain the sole responsible parties to the Coordinator and through the latter to the Commission concerning compliance with their obligations by virtue of the conditions set forth in this Agreement including its Annexes.

11.

Non-fulfilment of obligations or delay

1. The Partners shall immediately notify the Coordinator and give all the necessary data to the Coordinator if such events occur that might threaten the implementation of the project.
2. If the Partners do not perform, the Coordinator demands immediate performance from them in writing within one month from the end date of the task to be performed by the Partner at the latest, as specified by the Coordinator. In case of delays the Coordinator immediately contacts the defaulting partner(s) for the sake of the cooperation obligation. At the same time the Coordinator notifies the Commission as well about the delay.
3. If the non-performance of the obligations persists even after 30 days from the reception of the written demand, on the basis of consensus the Coordinator can decide to exclude the partners concerned from the project with the approval of the Commission.
4. The excluded Partners shall repay all received grant amounts to the Coordinator about which they cannot certify on the day of exclusion that they were used for the implementation of the project, according to the rules of eligibility of the expenses.
5. In the case if the failure of the Partner to perform its obligations has financial consequences concerning the financing of the entirety of the project, the Commission may demand compensation to cover the amount involved.

12.

Demand for repayment by the Commission

If the Commission decides about the repayment of the already transferred financial assets according to the Grant Agreement, of which the Commission immediately informs those involved by mail, indicating the amount to be repaid by the Partner, the provisions of the Grant Agreement shall be applied accordingly.

13.

Working languages

Any official internal document of the operation shall be made available in the language of the subsidy contract.

14.

Dispute settlement

The Parties strive to settle disputes originating from the execution of the activities regulated in this Agreement with mutual understanding and if it fails, the Parties may turn to courts, to which the provisions of Act 130/2016 on the Code of Civil Procedure shall be applied.

**15.
Nullity**

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.

**16.
Amendment of the agreement**

1. This Agreement shall only be amended in writing.
2. Amendments of the project approved by the Commission (concerning for example the schedule or the budget) can be enacted without amending this Agreement.

**17.
Registered office**

1. According to this Agreement the Partner states that its registered office is under the address indicated herein.
2. The notification about the changed registered office shall be sent by registered mail to the Coordinator within 15 days following the change of address.

The Cooperating Parties mutually read and interpreted this agreement and its annexes and signed it as a sign of their consent, it being in full accordance with their contractual will.

This agreement was prepared in 4 copies, of which the Coordinator shall receive 3 copies and the Partner shall receive 1 copy.

Annex 1: Distribution of the estimated budget concerning the entire partnership, with the amount of the contribution by the partners (own contribution), based on the partnership agreement.

Annex 2: Reporting periods specified in the Grant Agreement.

Miskolc, 2022. 08. 27.

Miskolc, 2022. 05. 25.

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Mesto Košice
Beneficiary/Partner
represented by:
Ing. Jaroslav Poláček, Mayor
Stamp

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Municipality of Miskolc
Coordinator
represented by:
Pál Veres, Mayor
Stamp

Financially countersigned

Miskolc, day month year 2022

2022 MÁJ. 23

.....
Kornél Szilágyi
Financial department
Department head

Partnerségi Megállapodás 1. sz. melléklete a projekt becsült költségeinek felosztásáról

Annex 1 of Partnership Agreement for the distribution of the estimated costs of the project

Támogatási Megállapodás száma/Grant Agreement number: VS/2021/0249

	MISKOLC	KOSICE	UNI MISKOLC	ABAUJRAKEZDES	HARFA	AEIDL	TOTAL	(%)
Total cost of the action	378 459,00	49 999,99	24 920,30	264 887,06	274 291,82	72 840,25	1 065 398,42	
direct costs	353 700,000	46 728,970	23 290,000	247 558,000	256 347,500	68 075,000	995 699,47	
Indirect cost	24 759,00	3 271,02	1 630,30	17 329,06	17 944,32	4 765,25	69 698,95	
Financial contribution (own resources)	107 641,80	14 230,00	7 070,00	75 410,00	78 078,37	20 688,05	303 118,22	28,45%
former financial contribution (own resources)	75 691,80	10 000,00	5 000,00	53 000,00	54 858,37	14 568,05	213 118,22	
additional financial contribution	31 950,00	4 230,00	2 070,00	22 410,00	23 220,00	6 120,00	90 000,00	
1st pre-financing (30%) 228 684,06	81 245,16	10 731,00	5 355,09	56 843,12	58 864,04	15 645,66	228 684,06	
Unlon grant-after raised own contrib.	270817,20	35 769,99	17 850,30	189 477,06	196 213,46	52 152,20	762 280,20	71,55%
Total Income	378 459,00	49 999,99	24 920,30	264 887,06	274 291,82	72 840,25	1 065 398,42	

**2. számú melléklet: Támogatási Megállapodásban (VS/2021/0249) meghatározott
jelentéstételi időszakok**

Annex 2: Reporting periods specified in the Grant Agreement

		Koordinátor részére Partner jelentés <i>Partner report for Coordinator</i>	Integrált jelentés Bizottság részére <i>Integrated report for Commission</i>
I. jelentési időszak Reporting Periods 1	Előrehaladási és pénzügyi jelentés / Progress and financial report	2022.06.01.	
	Éves jelentés / Annual report		
		2022.12.01.	2023. 01. 26.
II. jelentési időszak Reporting Periods 2	Előrehaladási és pénzügyi jelentés / Progress and financial report	2023.03.01.	
	Előrehaladási és pénzügyi jelentés / Progress and financial report	2023.06.01.	
	Előrehaladási és pénzügyi jelentés / Progress and financial report	2023.09.01.	
	Éves jelentés / Annual report		
		2023.12.01	2024.01.26.
III. jelentési időszak Reporting Periods 3	Előrehaladási és pénzügyi jelentés / Progress and financial report	2024.03.01	
ZÁRÁS / Closing	Zárójelentés egyenleg fizetési kérelemmel / <i>Final report with request for payment of the balance</i>	2024.06.25.	2024.07.26.