

Statues

EDIH Czech Technical University in Prague
(EDIH CTU)

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Preamble

The EDIH CTU represents a major European Digital Innovation Hub in the Czech Republic in the field of Artificial Intelligence (AI) and Machine Learning (ML) transferring trustworthy solutions and services to the industry, health, transportation and energy sectors. The EDIH CTU, with its vision "Inspire & Make the Czech AI-driven Industry", aims to become the innovation and technology leader in providing professional AI/ML services for the local SMEs, small mid-caps and public sector organizations with respect to their digital and green transformation. The strong consortium partners representing academia, business sector and key associations of enterprises in the Czech Republic provide sufficient know-how, expertise and state-of-the-art experimental facilities to serve the needs of the public and private sector at the national and also international level. The major focus is on promoting digital transformation adoption, providing high-quality services, education and knowledge sharing, pursuing ecosystem development, and establishing strong inter-EDIH collaboration. The consortium builds upon already existing partnerships in AI and manufacturing enabling best practice sharing, expertise exchange, and joint activities seeking far-reaching synergies thus strengthening the far-reaching impacts of the European network of EDIHs.

1 Name, Establishment and Parties

1. **CESKE VYSOKE UCENI TECHNICKE V PRAZE (CTU)**, PIC 999848744, established in JUGOSLAVSKYCH PARTYZANU 1580/3, PRAHA, 160 00, Czechia, the Coordinator
2. **SVAZ PRUMYSLU A DOPRAVY CESKE REPUBLIKY SDRUZENI (SPCR)**, PIC 916472879, established in FREYHOVA 948/11, PRAHA, 190 05, Czechia,
3. **ASOCIACE MALYCH A STREDNICH PODNIKU A ZIVNOSTNIKU CR (AMSP)**, PIC 991206044, established in SOKOLOVSKA 100/94 METEOR CENTRE OFFICE PARK B, PRAHA 8, 186 00, Czechia,
4. **VYZKUMNY USTAV PROPODNIKANI A INOVACE, Z.U. (VUPI/HK)**, PIC 899627859, established in NA FLORENCI 2116/15 - NOVE MESTO, PRAHA, 110 00, Czechia,
5. **PRG AI ZS (prg.ai)**, PIC 897746641, established in STAROMESTSKE NAMESTI 1/4, PRAHA, 110 00, Czechia,
6. **PRAZSKY INOVACNI INSTITUT, Z U (PII)**, PIC 889024595, established in MARIANSKE NAMESTI 2/2 STARE MESTO, PRAGUE 1, 110 00, Czechia,
7. **INOVACNI CENTRUM USTECKEHO KRAJE ZS (ICUK)**, PIC 895630683, established in VELKA HRADEBNI 2800/54, USTI NAD LABEM 400 01, Czechia,
8. **CESKOMORAVSKE CENTRUM PRULOMOVYCH TECHNOLOGII ZAJMOVE SDRUZENI PRAVNICKYCH OSOB (CCPT)**, PIC 887890374, established in VYSTAVNI 2224/8, OSTRAVA 709 00, Czechia,

2 Objectives and activities

The EDIH CTU project represents an ecosystem of artificial intelligence (AI) and machine learning (ML), interconnecting the industry (in particular SMEs), universities, RTOs and public administration in the Czech Republic with the European research and technology transfer networks. EDIH CTU builds on a stable national consortium covering academia, enterprises, regional actors and innovation entities whose goal is to jointly strengthen the AI ecosystem in the Czech Republic in its key sectors. EDIH CTU aims to provide exceptional and practical services in the field of AI/ML for the industry, health and energy sectors as well as

transportation to all the SMEs and other companies interested to gain new know-how, technologies, and profits in the future.

In order to make the Czech Republic an innovation leader, it is necessary to engage in increasing Europe's global competitiveness. The Czech Republic, as an industrialized country with almost 40% share of value added in the economy¹ needs to enhance the uptake of AI in its key sectors (advanced materials, technologies and systems; digitalization and automation; environmentally friendly, technologically advanced and safe transport; advanced medicine; digital economy) and participate in the European ecosystem of excellence and trust. It is therefore essential to use and transfer the knowledge from cutting-edge research into business practice, support automation in companies, especially SMEs, and closely related issues of qualified and retrained workforce. The Czech Republic can build on its industrial and entrepreneurial tradition and high technological intelligence of the population in this respect.

The EDIH CTU with its vision "Inspire & Make the Czech AI-driven Industry" is fully aligned with the National Artificial Intelligence Strategy (NAIS) and the Innovation Strategy of the Czech Republic for 2019 - 2030. The main objectives are:

1. providing reliable and trusted AI solutions and services in key areas (manufacturing, mobility, healthcare, energy sector, digital economy) following European direction of human-centred artificial intelligence and AI ethical standards;
2. enlarging the comprehensive ecosystem of Digital Innovation Hub Centers, sharing data, knowledge, know-how and cross-referrals to enhance Europe-wide competitiveness;
3. promoting digital transformation, technology and innovation transfer from R&D to SMEs and raise awareness about novel digital solutions to public administrative bodies;
4. supporting development of new start-ups, spin-offs and further businesses with pan-European and global reach;
5. providing business consultations to support financing of high-tech and breakthrough disruptive innovations;
6. enhancing retraining and increasing the level of digital skills of workers in fields with the highest potential for automation thus helping in development of the innovation-based economy.

3 Governance structure

3.1 General structure

The organisational structure of the consortium shall comprise the following Consortium Bodies:

- **Executive Committee**
- **Steering Committee**
- **EDIH Advisory Board**
- **EDIH Director**
- **EDIH Office**

The **Coordinator** is the legal entity acting as the intermediary between the Parties and the Granting Authority. The Coordinator shall, in addition to its responsibilities as a Party, perform the tasks assigned to it as described in the Grant Agreement.

¹ [National Research and Innovation Strategy for Smart Specialisation of the Czech Republic 2021–2027](#)

3.2 Executive Committee

3.2.1 Members of the Executive Committee

The Executive Committee (EC) consists of six members: The **Chairman of the EC** (being also WP1 leader), and further 5 **Work Package (WP) Leaders**.

3.2.2 Tasks of the Executive Committee

The Chairman of the EC will act as an EDIH Project Manager (WP1 leader representing the coordinator) and will directly deal with the operational management (represented by the EDIH Office). The Chairman of the EC will be the contact point for European Commission to ensure adherence to its recommendations and will be responsible for reporting. The Chairman of the EC immediately informs the European Commission Project Officer in case any changes to the workplan arise. The Chairman of the EC has the right to control EDIH performance and reports to the EDIH Director regularly.

All Work Package Leaders will coordinate activities with partners involved in given WP. They will resolve any technical issues, monitor progress in their respective WP and will communicate with other WP leaders, Chairman of the EC and EDIH Office in a timely manner if cooperation is needed (communication and dissemination, exploitation). They are responsible for monitoring the work progress and planning the workload in the respective WP. In case any problems or delays occur, the WP Leaders will inform the Chairman of the EC.

The tasks of the Executive Committee comprehend:

1. Actions not changing the Annex 1 of the Grant Agreement
 - monitoring the effective and efficient implementation of the project,
 - ensuring adherence to the Work Plan from the time, financial, technical, and administrative standpoint.
 - additions to Attachment 2 (Identified entities under the same control)
2. Actions changing the Annex 1 of the Grant Agreement
 - approving any changes to the work plan if necessary (i.e. rearranging tasks and budgets)
 - entry of a new Party to the Project and approval of the settlement on the conditions of the accession of such a new Party
 - withdrawal of a Party from the Project and the approval of the settlement on the conditions of the withdrawal
 - termination of a Defaulting Party's participation in the consortium and measures relating thereto
 - proposal to the Granting Authority for a change of the Coordinator
 - proposal to the Granting Authority for suspension of all or part of the Project
 - proposal to the Granting Authority for termination of the Project and the Consortium Agreement
 - identification of a breach by a Party of its obligations under Consortium Agreement or the Grant Agreement
 - declaration of a Party to be a Defaulting Party
 - remedies to be performed by a Defaulting Party. Termination of a Defaulting Party's participation in the consortium and measures relating thereto
 - steps to be taken for litigation purposes and the coverage of litigation costs in case of joint claims of the parties of the consortium against a Party (Section 4.2)

3.2.3 Operational procedures for the Executive Committee

3.2.3.1 Representation in meetings

Any Member of the Executive Committee:

- should be present or represented at any meeting;
- may appoint a substitute or a proxy to attend and vote at any meeting;
- and shall participate in a cooperative manner in the meetings.

3.2.3.2 Preparation and organisation of meetings

3.2.3.2.1 Convening meetings:

The Chairman of the EC shall convene ordinary meetings of the Executive Committee at least four times a year and shall also convene extraordinary meetings at any time upon written request of any Member.

3.2.3.2.2 Notice of a meeting

The Chairman of the EC shall give written notice of a meeting to each Member as soon as possible and no later than 14 calendar days preceding an ordinary meeting and 7 calendar days preceding an extraordinary meeting.

3.2.3.2.3 Sending the agenda:

The Chairman on the EC shall prepare and send each Member an agenda no later than 14 calendar days preceding the meeting, or 7 calendar days before an extraordinary meeting.

3.2.3.2.4 Adding agenda items:

Any agenda item requiring a decision by the Members must be identified as such on the agenda.

Any Member may add an item to the original agenda by written notice to all of the other Members no later than 7 calendar days preceding the meeting and 2 days preceding an extraordinary meeting.

During a meeting of the Executive Committee the Members present or represented can unanimously agree to add a new item to the original agenda.

Meetings of the Executive Committee may also be held by tele- or videoconference or other telecommunication means.

Decisions will only be binding once the relevant part of the minutes has been accepted.

3.2.3.3 Decisions without a meeting

Any decision may also be taken without a meeting if the Chairman of the EC circulates to all Members of the Executive Committee a suggested decision with a deadline for responses of at least 10 calendar days after receipt by a Member and

The Chairman of the EC shall inform all the Members of the outcome of the vote.

A veto may be submitted up to 15 calendar days after receipt of this information.

The decision will be binding after the Chairman of the EC sends a notification to all Members and none of the Members has objected within 15 days of receipt of the notification. The Chairman of the EC will keep records of the votes and make them available to the Parties on request.

3.2.3.4 Voting rules and quorum

1. Voting procedure regarding Actions not changing the Annex 1 and 2 of the Grant Agreement

The Executive Committee shall not deliberate and decide validly in meetings unless two-thirds (2/3) of its Members are present or represented (quorum).

If the quorum is not reached, the Chairman of the EC shall convene another ordinary meeting within 15 calendar days. If in this meeting the quorum is not reached once more, the Chairman

of the EC shall convene an extraordinary meeting which shall be entitled to decide even if less than the quorum of Members is present or represented.

Each Member present or represented in the meeting shall have one vote.

Simple majority of all present or represented members is needed for any decision to be taken.

2. Voting procedure regarding Actions changing the Annex 1 and 2 of the Grant Agreement

The Executive Committee shall not deliberate and decide validly in meetings unless two-thirds (2/3) of its Members are present or represented (quorum).

If the quorum is not reached, the Chairman of the EC shall convene another ordinary meeting within 15 calendar days. If in this meeting the quorum is not reached once more, the Chairman of the EC shall convene an extraordinary meeting which shall be entitled to decide even if less than the quorum of Members is present or represented.

Each Member present or represented in the meeting shall have one vote.

Simple majority of all present or represented members is needed for any decision to be taken.

Decisions changing the Annex 1 and 2 of the Grant Agreement, that were approved by the Executive Committee, must be approved by the Steering Committee as well.

A Party which both the Executive Committee and Steering Committee has declared to be a Defaulting Party may not vote.

3.2.3.5 Veto rights

A Party which can show that its intellectual property rights would be severely affected by a decision of the Steering Committee may exercise a veto with respect to the corresponding decision or relevant part of the decision.

When the decision is foreseen on the original agenda, a Member may only veto such a decision during the meeting.

When a decision has been taken on a new item added to the agenda before or during the meeting, a Member may veto such decision during the meeting or within 15 calendar days after receipt of the draft minutes of the meeting.

When a decision has been taken without a meeting a Member may veto such decision within 15 calendar days after receipt of the written notice by the Chairman of the EC of the outcome of the vote.

In case of exercise of veto, the Members shall make every effort to resolve the matter which occasioned the veto to the general satisfaction of all Members.

3.2.3.6 Minutes of meetings

The Chairman of the EC (with the help of EDIH Office) shall produce minutes of each meeting which shall be the formal record of all decisions taken. He shall send draft minutes to all Members within 10 calendar days of the meeting.

The minutes shall be considered as accepted if, within 15 calendar days from receipt, no Members has sent an objection to the Chairman of the EC with respect to the accuracy of the draft minutes by written notice.

The Chairman of the EC shall send the accepted minutes to all the Members who shall retain copies of them.

3.2.3.7 Preparation and organisation of meetings

The Executive Committee shall convene four times a year to review the progress of the project. The agenda will be prepared by the Chairman of the EC and approved by the Executive Committee members.

3.3 Steering Committee

3.3.1 Members of the Steering Committee

The Steering Committee consists of 12 representatives of CTU and further 7 representatives, each belonging to every remaining Party.

The Parties agree to abide by all decisions of the Steering Committee.

The EDIH Director prepares the agenda, and meeting minutes, and shall be present at all meetings of the Steering Committee.

3.3.2 Tasks of the Steering Committee

The Steering Committee is the strategic expert body responsible for:

- Maintaining the EDIH CTU vision and objectives,
- Partnership development within the EDIH network
- High-level conflict resolution within the consortium
- Resolving decisions made by the Executive Committee relating to proposed Actions changing the Annex 1 and 2 of the Grant Agreement
- Appointment of EDIH Advisory Board Members

Each Steering Committee member will suggest one representative from industry, academia, associations or decision makers to become a member of the EDIH Advisory Board. After the first consortium meeting, where candidates will be introduced, the 5 members of the Advisory Board will be selected by the EDIH Director.

In the case of abolished tasks as a result of a decision of the Steering Committee, Members shall rearrange the tasks of the Parties concerned. Such rearrangement shall take into consideration any prior legitimate commitments which cannot be cancelled.

3.3.3 Operational procedures for the Steering Committee

3.3.3.1 Representation in meetings

Any Member of the Steering Committee:

- should be present or represented at any meeting;
- may appoint a substitute or a proxy to attend and vote at any meeting;
- and shall participate in a cooperative manner in the meetings.

3.3.3.2 Preparation and organisation of meetings

3.3.3.2.1 Convening meetings:

The EDIH Director shall convene ordinary meetings of the Steering Committee at least once a year and shall also convene extraordinary meetings at any time upon written request of any Member. The EDIH Director has no voting right in the Steering Committee.

3.3.3.2.2 Notice of a meeting

The EDIH Director shall give written notice of a meeting to each Member as soon as possible and no later than 14 calendar days preceding an ordinary meeting and 7 calendar days preceding an extraordinary meeting.

3.3.3.2.3 Sending the agenda:

The EDIH Director shall prepare and send each Member an agenda no later than 14 calendar days preceding the meeting, or 7 calendar days before an extraordinary meeting.

3.3.3.2.4 Adding agenda items:

Any agenda item requiring a decision by the Members must be identified as such on the agenda.

Any Member may add an item to the original agenda by written notice to all of the other Members no later than 7 calendar days preceding the meeting and 2 days preceding an extraordinary meeting.

During a meeting of the Steering Committee the Members present or represented can unanimously agree to add a new item to the original agenda.

Meetings of the Steering Committee may also be held by tele- or videoconference or other telecommunication means.

Decisions will only be binding once the relevant part of the minutes has been accepted.

3.3.3.3 Decisions without a meeting

Any decision may also be taken without a meeting if

- a) the EDIH Director circulates to all Members of the Steering Committee a suggested decision with a deadline for responses of at least 10 calendar days after receipt by a Member, and
- b) the decision is agreed by 51 % of all Parties.

A Party which both the Executive Committee and Steering Committee has declared according to Section **Chyba! Nenalezen zdroj odkazů.** to be a Defaulting Party may not vote.

The EDIH Director shall inform all the Members of the outcome of the vote.

A veto may be submitted up to 15 calendar days after receipt of this information.

The decision will be binding after the EDIH Director sends a notification to all Members and none of the Members has objected within 15 days of receipt of the notification. The EDIH Director will keep records of the votes and make them available to the Parties on request.

3.3.3.4 Voting rules and quorum

1. Voting procedure regarding strategic directioning of EDIH not changing the Annex 1 and 2 of the Grant Agreement

The Steering Committee shall not deliberate and decide validly in meetings unless two-thirds (2/3) of its Members are present or represented (quorum).

If the quorum is not reached, the EDIH Director shall convene another ordinary meeting within 15 calendar days. If in this meeting the quorum is not reached once more, the EDIH Director shall convene an extraordinary meeting which shall be entitled to decide even if less than the quorum of Members is present or represented.

Each Member present or represented in the meeting shall have one vote.

Simple majority of all present or represented members is needed for any decision to be taken.

2. Voting procedure regarding Actions proposed by the Executive Committee changing the Annex 1 and 2 of the Grant Agreement

The Steering Committee shall not deliberate and decide validly in meetings unless two-thirds (2/3) of its Members are present or represented (quorum).

If the quorum is not reached, the EDIH Director shall convene another ordinary meeting within 15 calendar days. If in this meeting the quorum is not reached once more, the EDIH Director shall convene an extraordinary meeting which shall be entitled to decide even if less than the quorum of Members is present or represented.

Each Member present or represented in the meeting shall have one vote.

All present or represented Steering Committee members are needed for any decision to be taken.

A Party which both the Executive Committee and Steering Committee has declared to be a Defaulting Party may not vote.

3.3.3.5 Minutes of meetings

The EDIH Director shall produce minutes of each meeting which shall be the formal record of all decisions taken. He shall send draft minutes to all Members within 10 calendar days of the meeting.

The minutes shall be considered as accepted if, within 15 calendar days from receipt, no Members has sent an objection to the EDIH Director with respect to the accuracy of the draft minutes by written notice.

The EDIH Director shall send the accepted minutes to all the Members who shall retain copies of them.

3.3.3.6 Preparation and organisation of meetings

The Steering Committee shall convene once a year. The agenda will be prepared by the EDIH Director and approved by the Steering Committee members.

3.4 EDIH Director

EDIH Director decides on all EDIH matters, with the exception of those that fall within the purview of the Steering and Executive Committee and ensures that the EDIH team is working towards a feasible concept. The EDIH Director has the overall responsibility for the EDIH, both internally, in terms of liaison with the EC and towards industrial and academic partners. She/he has the right to manage the leading positions, decide about the employment conditions and recruitment procedure with respect to the EDIH Office. The Director is responsible for the operational, administrative and financial management of EDIH. The Director is the contact point to the European Commission, and the Ministry of Industry and Trade.

The EDIH Director is appointed by the CIIRC CTU Director based on the results of the selection procedure and with the approval of the EDIH SC. A two-rounds selection procedure will be organized by the NCI4.0. The first round will be announced publicly in an open call for candidates at selected communication channels. All candidates that meet the transparently defined criteria will be invited to the second round for the personal interview, which will be held during EDIH SC meeting.

3.5 EDIH Office

EDIH Office, operating at the Czech Technical University in Prague within the ecosystem of National Center for Industry 4.0, will act as a central operational body providing tools and internal regulations for efficient internal communication, cross-cutting activities, business development, innovation management and ethics issues. EDIH Office is led by the EDIH Director. EDIH Office will comprise:

- **Ethics Officer** will ensure the project activities follow ethical, legal, and societal principles and assure compliance with the regulation and guidelines in relevant areas, especially AI.

3.6 Coordinator

The Coordinator (CTU – Ceske vysoke uzeni technicke v Praze) shall be the intermediary between the Parties and the Granting Authority and shall perform all tasks assigned to it as described in the Grant Agreement and in the Consortium Agreement.

3.6.1

In particular, the Coordinator shall be responsible for:

- monitoring compliance by the Parties with their obligations under the Consortium Agreement and the Grant Agreement
- keeping the address list of Members and other contact persons updated and available
- collecting, reviewing to verify consistency and submitting reports, other deliverables (including financial statements and related certification) and specific requested documents to the Granting Authority
- transmitting promptly documents and information connected with the Project to any other Party concerned
- administering the financial contribution of the Granting Authority
- providing, upon request, the Parties with official copies or originals of documents that are in the sole possession of the Coordinator when such copies or originals are necessary for the Parties to present claims.

If one or more of the Parties is late in submission of any Project deliverable, the Coordinator may nevertheless submit the other Parties' Project deliverables and all other documents required by the Grant Agreement to the Granting Authority in time.

3.6.2

If the Coordinator fails in its coordination tasks, the Executive Committee may propose to the Granting Authority to change the Coordinator.

3.6.3

The Coordinator shall not be entitled to act or to make legally binding declarations on behalf of any other Party or of the consortium, unless explicitly stated otherwise in the Grant Agreement or the Consortium Agreement.

3.6.4

The Coordinator shall not enlarge its role beyond the tasks specified in the Consortium Agreement and in the Grant Agreement.

3.7 EDIH Advisory Board

EDIH Advisory Board (EDIH AB) will consist of 5 leading, independent experts and stakeholders. Its main task is to provide the EDIH CTU with practical experience and ideas focused on needs and problems in the area of AI. The EDIH AB meets at least twice during the project duration.

The Coordinator (with help of the EDIH Office) shall write the minutes of the EDIH AB meetings and submit them to the Executive and the Steering Committee. The EDIH AB members shall be allowed to participate in Steering Committee meetings upon invitation but have not any voting rights.

4 Financial provisions

4.1 General Principles

4.1.1 Distribution of Financial Contribution

The financial contribution of the Granting Authority to the Project shall be distributed by the Coordinator according to:

- the Consortium Plan
- the approval of reports by the Granting Authority, and

A Party shall be funded only for its tasks carried out in accordance with the Consortium Plan.

4.1.2 Justifying Costs

In accordance with its own usual accounting and management principles and practices, each Party shall be solely responsible for justifying its costs (and those of its Affiliated Entities, if any) with respect to the Project towards the Granting Authority. Neither the Coordinator nor any of the other Parties shall be in any way liable or responsible for such justification of costs towards the Granting Authority.

4.1.3 Funding Principles

Funding conditions of the Project are always directly dependent on the Granting Authority providing funding to the Coordinator. The funding provided is always allocated to the Parties by the Coordinator after the receipt of the funding from the Granting Authority for the duration of the Project in advance. The Coordinator allocates the funding to the Parties in the proportion in which they have been provided to the total amount allocated in the Consortium Plan.

A Party that spends less than its allocated share of the budget as set out in the Consortium Plan or – in case of reimbursement via unit costs - implements less units than foreseen in the Consortium Plan will be funded in accordance with its units/actual duly justified eligible costs only. In the event that the Party receives funding in advance, it must return the funding in excess of the implemented units to the Coordinator.

However, such a Party shall receive an additional EC contribution if at the end of the Project the total consolidated claimed eligible costs allow a reallocation of the EC contribution among the Consortium. This amount will be distributed proportionally to the percentage of the Party's exceeding share on the total overspent EC contribution.

Amounts which are not refunded by a breaching Party and which are not due to the Granting Authority, shall be apportioned by the Coordinator to the remaining Parties pro rata according to their share of total costs of the Project as identified in the Consortium Budget, until recovery from the breaching Party is possible.

4.1.4 Excess payments

A Party has received excess payment

- a) if the payment received from the Coordinator exceeds the amount declared or
- b) if a Party has received payments but, within the last year of the Project, its real Project costs fall significantly behind the costs it would be entitled to according to the Consortium Plan.

In case a Party has received excess payment, the Party has to inform the Coordinator and return the relevant amount to the Coordinator without undue delay. In case no refund takes place within 30 days upon request for return of excess payment from the Coordinator, the Party is in substantial breach of the Consortium Agreement.

4.1.5 Revenue

In case a Party earns any revenue that is deductible from the total funding as set out in the Consortium Plan, the deduction is only directed toward the Party earning such revenue. The other Parties' financial share of the budget shall not be affected by one Party's revenue. In case the relevant revenue is more than the allocated share of the Party as set out in the Consortium Plan, the Party shall reimburse the funding reduction suffered by other Parties.

4.1.6 Financial Consequences of the termination of the participation of a Party

A Party leaving the consortium shall refund to the Coordinator any payments it has received except the amount of contribution accepted by the Granting Authority or another contributor.

In addition, a Defaulting Party shall, within the limits, bear any reasonable and justifiable additional costs occurring to the other Parties in order to perform the leaving Party's task and necessary additional efforts to fulfil them as a consequence of the Party leaving the consortium.

The Steering Committee should agree on a procedure regarding additional costs which are not covered by the Defaulting Party.

4.2 Payments

4.2.1 Payments to Parties are the exclusive task of the Coordinator.

In particular, the Coordinator shall:

- notify the Party concerned promptly of the date and composition of the amount transferred to its bank account, giving the relevant references,
- perform diligently its tasks in the proper administration of any funds and in maintaining financial accounts,
- undertake to keep the Granting Authority's financial contribution to the Project separated from its normal business accounts, its own assets and property, except if the Coordinator is a Public Body or is not entitled to do so due to statutory legislation.

4.2.2 Initial pre-financing

The transfer of the initial pre-financing, the interim and final payments to Parties will be handled without undue delay in accordance Article 7 of the Grant Agreement.

Funding will be paid by the Coordinator to the Parties after receipt of payments from the Granting Authority without undue delay and in conformity with the provisions of the Grant Agreement. Costs accepted by the Granting Authority will be paid to the Party concerned.

The Coordinator is entitled to recover any payments already paid to a Defaulting Party except the costs already claimed by the Defaulting Party and accepted by the Granting Authority. The Coordinator is equally entitled to withhold payments to a Party when this is suggested by or agreed with the Granting Authority.

In case the Granting Authority requests that one or more Parties return for any reason any amount paid to it/them under the Grant Agreement, the Party(ies) concerned - notwithstanding any rights that it/they may have under the Grant Agreement or the applicable legislation- shall pay the said amount to the Project Coordinator without undue delay, which in turn shall pay the amount to the Granting Authority without undue delay.

Each Party acknowledges that the payments cannot be made by the Coordinator if the Parties do not send the Coordinator their financial identification when requested by the Coordinator, or if the Parties send incorrect or out of date financial identification to the Coordinator. Consequently, each Party undertakes to provide the Coordinator with accurate financial identification. The Coordinator shall not, in any case, be liable for any late payment due to not having received the requested financial identification of any Party in due time, or due to inaccurate financial identification, or due to a change in the financial identification of any Party.