COMMISSION OF THE EUROPEAN COMMUNITIES
RESEARCH DIRECTORATE-GENERAL

Integrating and strengthening the European Research Area

Specific Support Action

NEUROIMAGE

REINFORCING A CENTER FOR LASER MICROSCOPY AND CELL PROFILING FOR REGIONAL NETWORKING

INCO

Contract Number 026400
CONTRACT No 026400 (INCO)

Specific Support Action

The European Community (the "Community"), represented by the Commission of the European Communities (the "Commission"), itself represented for the signature of this contract by José Manuel SILVA RODRIGUEZ, Director General for Research Directorate-General or his duly authorised representative,

of the one part,

and Faculty of Biology, University of Belgrade, established in Studentski trg 3, Belgrade, 52, 11001, Serbia and Montenegro, represented by Mirko Cvijan, Dean, and/or Pavle Andjus, Vice-dean, or her/his/their authorised representative the contractor acting as coordinator of the consortium, (the "coordinator") and the other contractors identified in Article 1.2 below,

of the other part

HAVE AGREED to the following terms and conditions established in this contract and its annexes (the "contract").

Article 1 - Scope

1. The Community agrees to grant a financial contribution for the implementation of a project called REINFORCING A CENTER FOR LASER MICROSCOPY AND CELL PROFILING FOR REGIONAL NETWORKING (NEUROIMAGE) within the framework of the specific research and technological development programme "Integrating and strengthening the European Research Area" (the "specific programme").

2. The consortium is composed of the contractor acting as coordinator and the following legal entities, who shall accede to the contract in accordance with the procedure referred to in Article 2, as contractors assuming the rights and obligations established by the contract with effect from the date on which it enters into force:

(hereinafter referred to as the "contractors").

3. The consortium shall carry out the work set out in Annex I to this contract (the "project") in accordance with the conditions set out in this contract.

4. The consortium shall make appropriate arrangements for its internal operation and management which may include any intellectual property provisions. To this end, a consortium agreement may be established, which will cover any other additional aspects necessary for the consortium management and the implementation of the project.

Article 2 - Constitution of the consortium

1. The coordinator shall ensure that the legal entities identified in Article 1.2 complete the formalities for them to accede to the contract. At the latest 30 calendar days after the entry into force of the contract, the coordinator shall send to the Commission one of the three duly completed and signed originals of Form A (set out in Annex IV), which shall be obtained from each of the contractors identified in Article 1.2. The two remaining signed originals shall be kept by the coordinator and the contractor concerned and be made available for consultation at the request of any other contractor.

2. Should any legal entity identified in Article 1.2 fail or refuse to accede to the contract within the deadline established in the previous paragraph, the Commission is no longer bound by its offer to contract with the said legal entity(ies). The Commission may terminate the contract in accordance
with Article II.15.5, where any legal entity identified in Article 1.2 does not accede to the contract in accordance with the provisions established by the Commission.

3. However, the consortium may propose appropriate solutions to the Commission to ensure the implementation of the project including, where necessary, the accession to the contract of legal entities other than those identified in Article 1.2 in accordance with the provisions in Article 3.

4. In the case of termination, no costs incurred by the consortium under the project up to the date of contract termination can be approved or accepted as eligible for reimbursement by the Community financial contribution. Any pre-financing provided to the consortium and any interest generated by the pre-financing must be returned in full to the Commission within 30 days of notification of termination.

Article 3 - Evolution of the consortium

The consortium may be enlarged to include other legal entities, which shall accede to the contract by means of Form B (set out in Annex V). The Commission is deemed to have accepted this legal entity as a contractor in the consortium, if it does not object within six weeks of receipt of Form B. Any new contractor shall comply with the participation rules established by the Rules for Participation. This is subject to any condition required by the Financial Regulation or other formalities that may be required by any other provision of this contract.

They shall assume the rights and obligations of contractors as established by the contract with effect from the date of their accession to the contract. Contractors leaving the consortium shall be bound by the provisions of the contract regarding the terms and conditions applicable to the termination of their participation.

Article 4 - Entry into force of the contract and duration of project

1. This contract shall enter into force on the day of its signature by the coordinator and the Commission.

2. The duration of the project shall be 36 months from the first day of the month after the signature by the Commission (hereinafter referred to as the "start date").

This contract shall be completed once the rights and obligations of all the parties to the contract have been met. The implementation and payment phases relating to the project must be completed by the final implementation date of the contract.

The provisions set out in Articles II.7, II.9, II.10, II.11, II.29, II.30, II.31 and Part C of Annex II shall continue to apply after the final implementation date as well as any provisions in Annex III which specifically state that they shall continue to apply after the final implementation date.

Article 5 - Community financial contribution

The Community financial contribution shall be in the form of a grant to the budget.

The maximum Community contribution to the project shall be 448,580.00 EUR (four hundred and forty eight thousand five hundred and eighty Euro and zero Cents ). The Community financial contribution shall be limited to the maximum rates of contribution to the activities identified in Part B of Annex II, as modified by any provision of Annex III. Annex I indicates the estimated breakdown of costs and activities to be carried out under the project.

Article 6 - Reporting periods
The project is divided into reporting periods of the following duration:

- P1: from month 1 to month 12
- P2: from month 13 to month 24
- P3: from month 25 to the last month of the project.

Article 7 - Reports

1. Reports referred to in Article II.7.2 shall be submitted for each reporting period identified in Article 6 within 45 days of the end of the period in question. Reports shall be submitted in English.

2. Reports referred to in Article II.7.3 shall be submitted at the latest 45 days after the end of the following periods:

- P3 covering reporting periods from P1 to the last reporting period of the project.

3. In addition to the reports for the last period, final activity and financial reports referred to in Article II. 7.4 (except for the report referred to in Article II.7.4.d) shall be submitted to the Commission at the latest 45 days after the end of the project. This delay may be increased by 45 days at the request of the consortium. Where the work is completed before the end of the duration of the project, the related activity and financial reports shall cover the period up to that date.

Article 8 - Payment modalities

1. The Community financial contribution to the project shall be paid to the coordinator on behalf of the contractors in accordance with the following provisions:

   a) the consortium shall determine the allocation of each tranche of the Community financial contribution between the contractors, in accordance with this contract and any relevant provisions in their consortium agreement.

   b) the payment of the Community financial contribution to the coordinator discharges the Commission from its obligation to make this payment to the contractors.

   c) the coordinator shall distribute the Community financial contribution without unjustified delay. However, the initial pre-financing shall not be distributed to the contractors until the minimum number of contractors required by the Rules for Participation have acceded to the contract.

2. The Community financial contribution shall be paid in accordance with the provisions of Article II.28 and the following:

   (a) pre-financing of 252,000.00 EUR (two hundred and fifty two thousand Euro and zero Cents ) of the estimated Community financial contribution corresponding to the first reporting period and the first six months of the subsequent reporting period indicated in the table of estimated breakdown of costs for this period in Annex I, within 45 days following the date of entry into force of the contract.

   (b) within 45 days following approval by the Commission of the reports relating to each reporting period:

   If an audit certificate has been submitted:

   i) a payment to settle the amounts justified and accepted during the reporting period; and

   ii) an intermediate pre-financing of 80.00% of the estimated Community financial contribution corresponding to the subsequent period and the first six months of the period following, indicated in the table of estimated breakdown of costs for this period in Annex I.

Where the amount justified and accepted for the reporting period is less than the pre-financing already paid to the consortium, that part of the pre-financing is re-qualified as a payment and the Commission shall deduct the difference from the subsequent pre-financing.
Where the amount justified and accepted for the reporting period is more than the pre-financing already paid to the consortium, the pre-financing is re-qualified as a payment and the Commission shall add the difference as a complementary payment at the time of the payment of the subsequent pre-financing.

If an audit certificate has not been submitted:

i) an intermediate pre-financing of 80.00% of the estimated Community financial contribution corresponding to the subsequent period and the first six months of the period following, indicated in the table of estimated breakdown of costs for this period in Annex I.

Where the amount justified and accepted for the reporting period is less than the pre-financing already paid to the consortium, the Commission shall deduct the difference from the subsequent pre-financing.

Where the amount justified and accepted for the reporting period is more than the pre-financing already paid to the consortium, the Commission shall add the difference to the subsequent pre-financing, within the limits established by the Financial Regulation.

(c) within 45 days following approval by the Commission of the reports relating to the last period and the final reports referred to in Article II.7, the Commission shall pay a final payment for that period.

(d) Any payment at the end of a reporting period accompanied by an audit certificate shall be considered as final, subject to the results of any audit or review, which may be carried out pursuant to the provisions of Article II. 29.

Total pre-financing may not exceed 80% of the Community financial contribution or, where final payments referred to in paragraph d have been effected, of the difference between the Community financial contribution and those final payments.

Where less than 70% of a pre-financing has been used at the end of a reporting period, and notwithstanding the approval by the Commission of the related reports, subsequent intermediate pre-financing may be paid only:

(i) if an audit certificate is provided for that reporting period; or

(ii) on the basis of a complementary periodic management report referred to in Article II.7.2 b that shall be submitted to the Commission once the above-mentioned spending rate has been achieved.

(e) Where no comments, changes or substantial corrections to any of the project activity reports or financial statements are required or where the Commission approves the reports more than 45 days after reception, the Commission shall make the appropriate payment within 90 days of receipt of the project activity reports and associated financial statements.

Where substantial comments, changes, further information or adjustments are requested by the Commission within this period, the delay is suspended upon notification by the Commission. The remainder of the 90 day payment period begins again only after submission by the contractors of the required information.

Article 9 - Special clauses

The following special conditions apply to this contract:

Special clause 4.A.

1. All references to the "contractors" or to the "consortium" or to the "coordinator" in this contract and in the Annexes thereto shall be interpreted as references to the "contractor".

2. Where the consortium is enlarged in accordance with Article 3 of the contract, the paragraph above does not apply from the date the enlargement is accepted.

Article 10 - Amendments
Any request for amendment to the contract shall be submitted in accordance with Article 11. Proposals for amendments submitted by the coordinator are requested on behalf of the consortium. The coordinator shall ensure that adequate proof of the consortium’s agreement to such a request exists and is made available in the event of an audit.

The Commission shall undertake to approve or reject any request for an amendment within 45 days of its receipt. The absence of a response from the Commission within 45 days of receipt of such a request, or any other period provided for in the contract, does not constitute approval of the request, except for any modification or evolution of the consortium as foreseen in Article 3.

All amendments to the contract shall be in writing.

Article 11 - Communication

1. Requests for amendments and any communication foreseen by the contract shall identify the nature and details of the request or communication and be submitted in writing by means of registered mail with acknowledgement of receipt to the following addresses:

   For the Commission: Commission of the European Communities
   Research Directorate-General
   B-1049 Brussels, Belgium

   For the coordinator: Faculty of Biology, University of Belgrade
   Institute for Physiology and Biochemistry; Centre for Laser Microscopy
   Studentski trg 3,
   Belgrade, 11000, Serbia and Montenegro

2. Where the contract foresees that information or documents are to be transferred by electronic means, the following functional mailboxes shall be used:

   For the Commission: lorella.maggi@ec.europa.eu
   For the coordinator: pandjus@bf.bio.bg.ac.yu

3. The bank account of the coordinator to which all payments of the Community financial contribution shall be made is:

   Name of Account holder: Faculty of Biology, University of Belgrade
   Name of the bank: NATIONAL BANK OF SERBIA
   IBAN: CS73908005411097841003

4. Each party to the contract shall inform the other parties without delay of any changes in the names or addresses identified in paragraphs 1 and 2 above.

Article 12 - Applicable law

The law of Belgium shall govern this contract.

Article 13 - Jurisdiction

The Court of First Instance or the Court of Justice of the European Communities, as is appropriate in the specific case, shall have sole jurisdiction to hear any disputes between the Community and the contractors as regards the validity, the application or any interpretation of this contract.

Article 14 - Annexes forming an integral part of this contract:
1. The following annexes form an integral part of this contract:
   Annex I - Description of work
   Annex II - General Conditions
   Annex III - Not Applicable
   Annex IV - Form A - consent of contractors to accede to the contract
   Annex V - Form B - accession of new legal entities to the contract
   Annex VI - Form C - financial statement per instrument

2. In the event of any conflict between the provisions of the Annexes to this contract and any provision of this part of the contract, the latter shall take precedence. The provisions of Annex III shall take precedence over the provisions of Annex II, and both shall take precedence over the provisions of Annex I.

3. The special conditions set out in Article 9 shall take precedence over any other provisions of this contract.
Done at Brussels, in English

For the coordinator

MIRKO CIVIKAN
Name

Dean
Function

Signature
(stamp or seal of the organisation)

05.06.2006
Date

For the Commission

Name

András Siegler
Director

Function

Signature

20/6/06
Date

COMMISSION OF THE EUROPEAN COMMUNITIES
Research
Directorate-General