



# Digital Europe Programme (DIGITAL)

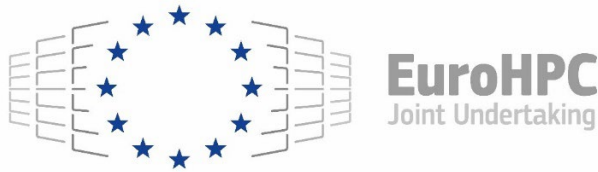
## Grant Agreement

Unit Grants

(DEP Unit GA — Mono)

Version 1.0  
03 February 2023

<b>HISTORY OF CHANGES</b>		
<b>Version</b>	<b>Publication date</b>	<b>Changes</b>
1.0	03.02.2023	▪ Initial version.



## **GRANT AGREEMENT**

**Call: EUROHPC-2024-CEI-AI-02**

**Project LC-03964826 — LUMI AI**

### **PREAMBLE**

This **Agreement** ('the Agreement') is **between** the following parties:

**on the one part,**

The European High Performance Computing Joint Undertaking (hereinafter 'EuroHPC Joint Undertaking'), represented for the purposes of signature of this agreement by its Executive Director, Anders Dam Jensen ('granting authority'),

**and**

**on the other part,**

"the beneficiary"

CSC - Tieteen tietotekniikan keskus Oy (CSC), Keilaranta 14 (P.O. Box 405) FI-02101 Espoo, Finland, Entity registration number: 0920632-0, VAT number: FI09206320, PIC 999645820, duly represented for the signature of this agreement by Kimmo Koski, Managing Director.

If only one beneficiary signs the grant agreement ('mono-beneficiary grant'), all provisions referring to the 'coordinator' or the 'beneficiaries' will be considered — mutatis mutandis — as referring to the beneficiary.

The parties referred to above have agreed to enter into the Agreement.

By signing the Agreement and the accession forms, the beneficiaries accept the grant and agree to implement the action under their own responsibility and in accordance with the Agreement, with all the obligations and terms and conditions it sets out.

The Agreement is composed of:

Preamble

Terms and Conditions (including Data Sheet)

Annex 1 Description of the action

Annex 2 Estimated budget for the action

Annex 2a Additional information on unit costs and contributions

Annex 3 Accession forms (not applicable)

Annex 4 Model for the financial statements (not applicable)

Annex 5 Specific rules

## **TERMS AND CONDITIONS**

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**DATA SHEET****1. General data**

Project summary:

Project summary
This grant is awarded for the action entitled <b>Hosting Agreement No 4/2025 - AI-optimised supercomputer LUMI AI</b> signed on 10/02/2025 with the beneficiary

Keywords: EuroHPC JU, HPC infrastructure, AI-optimised supercomputer

Project number: LC-03964826

Project name: LUMI AI-optimised Supercomputer

Project acronym: LUMI - AI

Call: EUROHPC-2024-CEI-AI-02

Topic: n/a

Type of action: DIGITAL Unit Grant

Granting authority: EuroHPC Joint Undertaking

Grant managed through EU Funding &amp; Tenders Portal: No

Project starting date: [01/07/2025]

Project end date: [31/12/2033]

Project duration: [102] months

**2. Participants****Not applicable****3. Grant****Maximum grant amount, total estimated eligible costs and contributions and funding rate:**

Total eligible contributions (unit, flat-rate and lump sum contributions and financing not linked to costs)	Funding rate (%)	Maximum grant amount (Annex 2)	Maximum grant amount (award decision)
EUR 74 452 213,75	100	EUR 74 452 213,75	EUR 74 452 213,75

**Grant form:** Unit**Grant mode:** Action grant**Budget categories/activity types:**

- A. Site Preparation Costs
- B. Personal Costs
- C. Operations and Maintenance Costs

**Budget flexibility:** Yes, within the boundaries of Decision 07/2025 authorising the use of unit costs for providing access to the EuroHPC JU supercomputers under the Horizon Europe and the Digital Europe Programme.

#### **4. Reporting, payments and recoveries**

##### **4.1 Continuous reporting** (art 21)

**Deliverables:** as agreed in the Hosting Agreement

##### **4.2 Periodic reporting and payments**

**Reporting and payment schedule** (art 21, 22):

Reporting					Payments	
Reporting periods			Type	Deadline	Type	Deadline (time to pay)
RP No	Month from	Month to				
/					Initial prefinancing	30 days from entry into force/10 days before starting date – whichever is the latest
1	[number]	[number]	Additional prefinancing report	60 days after end of reporting period	Additional prefinancing	n/a
2	[number]	[number]	Periodic report	60 days after end of reporting period	Interim payment	90 days from receiving periodic report
3	[number]	[number]	Periodic report	60 days after end of reporting period	Final payment	90 days from receiving periodic report

**Prefinancing payments and guarantees:**

Prefinancing payment		Prefinancing guarantee		
Type	Amount	Guarantee amount	Division per participant	
Prefinancing (initial)	30%	[amount]	1 – [short name]	n/a
			2 – [short name]	

**Reporting and payment modalities (art 21, 22):**

Mutual Insurance Mechanism (MIM): No

Interim payment ceiling (if any): not applicable

No-profit rule: Yes

Late payment interest: ECB + 3.5%

Bank account for payments:

Name of bank: Danske Bank Plc.\_

Full name of the account holder: CSC – IT Center for Science Ltd\_

Full account number (including bank codes): FI5280001701042559

IBAN code: FI5280001701042559

Conversion into euros: Double conversion

Reporting language: Language of the Agreement

**4.3 Certificates** (art 24)

n/a

**4.4 Recoveries** (art 22)

Beneficiary termination: Beneficiary

Final payment: Beneficiary

After final payment: Beneficiary

**Joint and several liability for enforced recoveries (in case of non-payment):**

n/a

**5. Consequences of non-compliance, applicable law & dispute settlement forum**

**Applicable law** (art 43):

Standard applicable law regime: EU law + law of Luxembourg

**Dispute settlement forum** (art 43):

Standard dispute settlement forum:

EU beneficiaries: EU General Court + EU Court of Justice (on appeal)

Non-EU beneficiaries: Courts of Luxembourg, Luxembourg (unless an international agreement provides for the enforceability of EU court judgements)

**6. Other**

**Specific rules (Annex 5):** Yes

- Sensitive information with security recommendation
- EU classified information
- Ethics
- Communication, dissemination and visibility (Digital Europe)
  - Communication and dissemination plan
  - Additional communication and dissemination activities
- Specific rules for carrying out the action
  - Implementation in case of restrictions due to security or EU strategic autonomy
  - Specific rules for PAC Grants for Procurement

- Specific rules for Grants for Financial Support
- Specific rules for JU actions
- Specific rules for blending operations

**Standard time-limits after project end:**

Confidentiality (for X years after final payment): 5

Record-keeping (for X years after final payment): 5

Reviews (up to X years after final payment): 5

Audits (up to X years after final payment): 5

Extension of findings from other grants to this grant (no later than X years after final payment): 5

Impact evaluation (up to X years after final payment): 5

## **CHAPTER 1 GENERAL**

### **ARTICLE 1 — SUBJECT OF THE AGREEMENT**

This Agreement sets out the rights and obligations and terms and conditions applicable to the grant awarded for the implementation of the action set out in Chapter 2.

### **ARTICLE 2 — DEFINITIONS**

For the purpose of this Agreement, the following definitions apply:

- Action — The project which is being funded in the context of this Agreement.
- Grant — The grant awarded in the context of this Agreement.
- EU grants — Grants awarded by EU institutions, bodies, offices or agencies (including EU executive agencies, EU regulatory agencies, EDA, joint undertakings, etc).
- Participants — Entities participating in the action as beneficiaries, affiliated entities, associated partners, third parties giving in-kind contributions, subcontractors or recipients of financial support to third parties.
- Beneficiaries (BEN) — The signatories of this Agreement (either directly or through an accession form).
- Affiliated entities (AE) — not applicable.
- Associated partners (AP) — not applicable.
- Purchases — Contracts for goods, works or services needed to carry out the action (e.g. equipment, consumables and supplies) but which are not part of the action tasks (see Annex 1).
- Subcontracting — Contracts for goods, works or services that are part of the action tasks (see Annex 1).
- In-kind contributions — In-kind contributions within the meaning of Article 2(38) of EU Financial Regulation 2024/2509, i.e. non-financial resources made available free of charge by third parties to a beneficiary.
- Fraud — Fraud within the meaning of Article 3 of EU Directive 2017/1371<sup>1</sup> and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995<sup>2</sup>, as well as any other wrongful or criminal deception intended to result in financial or personal gain.

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<sup>1</sup> Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29).

<sup>2</sup> OJ C 316, 27.11.1995, p. 48.

Irregularities — Any type of breach (regulatory or contractual) which could impact the EU financial interests, including irregularities within the meaning of Article 1(2) of EU Regulation 2988/95<sup>3</sup>.

Grave professional misconduct — Any type of unacceptable or improper behaviour in exercising one's profession, especially by employees, including grave professional misconduct within the meaning of Article 138(1)(c) of EU Financial Regulation 2024/2509.

Applicable EU, international and national law — Any legal acts or other (binding or non-binding) rules and guidance in the area concerned.

Portal — EU Funding & Tenders Portal; not applicable.

## **CHAPTER 2 ACTION**

### **ARTICLE 3 — ACTION**

The grant is awarded for the action Ares(2025)1017167 — LUMI AI ('action'), as described in Annex 1.

### **ARTICLE 4 — DURATION AND STARTING DATE**

The duration and the starting date of the action are set out in the Data Sheet (see Point 1).

## **CHAPTER 3 GRANT**

### **ARTICLE 5 — GRANT**

#### **5.1 Form of grant**

The grant is an action grant<sup>4</sup> which takes the form of a unit grant.

#### **5.2 Maximum grant amount**

The maximum grant amount is set out in the Data Sheet (see Point 3) and in the estimated budget (Annex 2).

#### **5.3 Funding rate**

The funding rate for costs is 100 % of the action's eligible costs (see Annex 2).

#### **5.4 Estimated budget, budget categories and forms of funding**

The estimated budget for the action is set out in Annex 2.

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<sup>3</sup> Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).

<sup>4</sup> For the definition, see Article 183(2)(a) EU Financial Regulation 2024/2509: 'action grant' means an EU grant to finance "an action intended to help achieve a Union policy objective".

It contains the estimated eligible contributions for the action (unit contributions), broken down by participant and budget category.

Annex 2 also shows the types of contributions (forms of funding)<sup>5</sup> to be used for each budget category.

The details on the calculation of the unit contributions will be explained in Annex 2a.

## **5.5 Budget flexibility**

The budget breakdown may be adjusted — without an amendment (see Article 39) — by transfers of units between budget categories, as long as this does not imply any substantive or important change to the description of the action in Annex 1 and subject to the agreement of the EuroHPC Joint Undertaking.

## **ARTICLE 6 — ELIGIBLE AND INELIGIBLE CONTRIBUTIONS**

### **6.1 General eligibility conditions**

The **general eligibility conditions** for the unit contributions are the following:

(a) they must be calculated as follows:

{amounts per unit set out in Annex 2a multiplied by the number of actual units}

(b) the units must:

- be actually used or produced by the beneficiary in the period set out in Article 4 (with the exception of units relating to the submission of the final periodic report, which may be used or produced afterwards; see Article 21)
- be necessary for the implementation of the action and

(c) the number of units must be identifiable and verifiable, in particular supported by records and documentation (see Article 20).

### **6.2 Specific eligibility conditions for each budget category**

For each budget category, the **specific eligibility conditions** are as follows:

#### **A. Site Preparation Costs**

Site Preparation Costs for providing access to the EuroHPC Joint Undertaking AI-optimised supercomputer LUMI AI are eligible, if they fulfil the general eligibility conditions and are calculated as unit contributions in accordance with the method set out in Annex 2a, and if the number of units declared:

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<sup>5</sup> See Article 125 EU Financial Regulation 2024/2509.

(a) corresponds to the actual number of hours of access to the supercomputer provided to the Union and made available to the EuroHPC Joint Undertaking and its users<sup>6</sup>;

(b) does not exceed 50% of the total hours of access time during the duration of the action.

## **B. Personnel Costs**

Personnel Costs for providing access to the EuroHPC Joint Undertaking AI-optimised supercomputer LUMI AI are eligible, if they fulfil the general eligibility conditions and are calculated as unit contributions in accordance with the method set out in Annex 2a, and if the number of units declared:

(a) corresponds to the actual number of hours of access to the LUMI AI supercomputer provided to the Union and made available to the EuroHPC Joint Undertaking and its users;

(b) does not exceed 50% of the total hours of access time during the duration of the action.

## **C. Operations and Maintenance**

Operations and Maintenance for providing access to the EuroHPC Joint Undertaking AI-optimised supercomputer LUMI AI are eligible, if they fulfil the general eligibility conditions and are calculated as unit contributions in accordance with the method set out in Annex 2a, and if the number of units declared:

(a) corresponds to the actual number of hours of access to the EuroHPC Joint Undertaking LUMI AI supercomputer provided to the Union and made available to the EuroHPC Joint Undertaking and its users;

(b) does not exceed 50% of the total hours of access time during the duration of the action.

### **6.3 Ineligible contributions**

‘Ineligible contributions’ are:

(a) units that do not comply with the conditions set out above (see Article 6.1 and 6.2)

(b) units implemented during grant agreement suspension (see Article 31) and

(c) units for activities already funded under other EU grants (or grants awarded by an EU Member State, non-EU country or other body implementing the EU budget), except for the following case:

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<sup>6</sup> ‘user’ means any natural or legal person, entity or international organisation that has been granted Union access time to use a EuroHPC Joint Undertaking supercomputer under the action.

- (i) if the grants are part of jointly coordinated Synergy actions and the funding under the grants does not go above 100% of the costs and contributions declared to them.
- (d) other<sup>7</sup>:
  - (i) costs or contributions for activities that do not take place in one of the eligible countries or target countries set out in the call conditions — unless approved by the granting authority.

## 6.4 Consequences of non-compliance

If a beneficiary declares unit contributions that are ineligible, they will be rejected (see Article 27).

This may also lead to other measures described in Chapter 5.

## **CHAPTER 4 GRANT IMPLEMENTATION**

### **SECTION 1 CONSORTIUM: BENEFICIARIES, AFFILIATED ENTITIES AND OTHER PARTICIPANTS**

#### **ARTICLE 7 — BENEFICIARIES**

The beneficiary, as signatory of the Agreement, is fully responsible towards EuroHPC Joint Undertaking for implementing it and for complying with all its obligations.

The beneficiary must implement the Agreement to its best abilities, in good faith and in accordance with all the obligations and terms and conditions it sets out.

The beneficiary must have the appropriate resources to implement the action and implement the action under their own responsibility and in accordance with Article 11.

The beneficiary is responsible for the *technical* implementation of the action. The *financial* responsibility of the beneficiary in case of recoveries is governed by Article 22.

The beneficiary must:

- i. monitor that the action is implemented properly (see Article 11)
- ii. inform the EuroHPC Joint Undertaking immediately of any events or circumstances likely to affect significantly or delay the implementation of the action (see Article 19)
- iii. submit to the EuroHPC Joint Undertaking in good time:
  - the prefinancing guarantees (if required; see Article 23)
  - the deliverables and technical reports (see Article 21)

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<sup>7</sup> Condition must be specified in the call.

- any other documents or information required by the EuroHPC Joint Undertaking under the Agreement

and may not delegate or subcontract these tasks to any third party (including linked third parties).

## **ARTICLE 8 — AFFILIATED ENTITIES**

Not applicable.

## **ARTICLE 9 — OTHER PARTICIPANTS INVOLVED IN THE ACTION**

### **9.1 Associated partners**

Not applicable.

### **9.2 Third parties giving in-kind contributions to the action**

Other third parties may give in-kind contributions to the action (i.e. personnel, equipment, other goods, works and services, etc. which are free-of-charge), if necessary for the implementation.

Third parties giving in-kind contributions do not implement any action tasks. They may not charge costs or contributions to the action and the costs for the in-kind contributions are not eligible.

The third parties and their in-kind contributions should be set out in Annex 1.

### **9.3 Subcontractors**

Subcontractors may participate in the action, if necessary for the implementation.

Subcontractors must implement their action tasks in accordance with Article 11. The beneficiaries' costs for subcontracting are considered entirely covered by the unit contributions (irrespective of the actual subcontracting costs incurred, if any).

The beneficiaries must ensure that their contractual obligations under Articles 11 (proper implementation), 12 (conflict of interest), 13 (confidentiality and security), 14 (ethics), 17.2 (visibility), 18 (specific rules for carrying out action), 19 (information) and 20 (record-keeping) also apply to the subcontractors.

The beneficiaries must ensure that the bodies mentioned in Article 25 (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.) can exercise their rights also towards the subcontractors.

### **9.4 Recipients of financial support to third parties**

If the action includes providing financial support to third parties (e.g. grants, prizes or similar forms of support), the beneficiaries must ensure that their contractual obligations under Articles 12 (conflict of interest), 13 (confidentiality and security), 14 (ethics), 17.2 (visibility), 18 (specific rules for carrying out action), 19 (information) and 20 (record-keeping) also apply to the third parties receiving the support (recipients).

The beneficiaries must also ensure that the bodies mentioned in Article 25 (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.) can exercise their rights also towards the recipients.

## **ARTICLE 10 — PARTICIPANTS WITH SPECIAL STATUS**

### **10.1 Non-EU participants**

Participants which are established in a non-EU country (if any) undertake to comply with their obligations under the Agreement and:

respect general principles (including fundamental rights, values and ethical principles, environmental and labour standards, rules on classified information, intellectual property rights, visibility of funding and protection of personal data)

for the submission of certificates under Article 24: use qualified external auditors which are independent and comply with comparable standards as those set out in EU Directive 2006/43/EC35

for the controls under Article 25: allow for checks, reviews, audits and investigations (including on-the-spot checks, visits and inspections) by the bodies mentioned in that Article (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.).

Special rules on dispute settlement apply (see Data Sheet, Point 5)

### **10.2 Participants which are international organisations**

Not applicable.

### **10.3 Pillar-assessed participants**

Not applicable.

## **SECTION 2 — RULES FOR CARRYING OUT THE ACTION**

### **ARTICLE 11 — PROPER IMPLEMENTATION OF THE ACTION**

#### **11.1 Obligation to properly implement the action**

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement, the call conditions and all legal obligations under applicable EU, international and national law.

#### **11.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 12 — CONFLICT OF INTERESTS**

### **12.1 Conflict of interests**

The beneficiary must take all measures to prevent any situation where the impartial and objective implementation of the Agreement could be compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect interest ('conflict of interests').

The beneficiary must formally notify the EuroHPC Joint Undertaking without delay of any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The EuroHPC Joint Undertaking may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

### **12.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28) and the grant or the beneficiary may be terminated (see Article 32).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 13 — CONFIDENTIALITY AND SECURITY**

### **13.1 Sensitive information**

The parties must keep confidential any data, documents or other material (in any form) that is identified as sensitive in writing ('sensitive information') — during the implementation of the action and for at least until the time-limit set out in the Data Sheet (see Point 6).

If a beneficiary requests, the EuroHPC Joint Undertaking may agree to keep such information confidential for a longer period.

Unless otherwise agreed between the parties, they may use sensitive information only to implement the Agreement.

The beneficiary may disclose sensitive information to its personnel or other participants involved in the action only if they:

- (a) need to know it in order to implement the Agreement and
- (b) are bound by an obligation of confidentiality.

The EuroHPC Joint Undertaking may disclose sensitive information to its staff and to other EU institutions and bodies.

It may moreover disclose sensitive information to third parties, if:

- (a) this is necessary to implement the Agreement or safeguard the EU financial interests and
- (b) the recipients of the information are bound by an obligation of confidentiality.

The confidentiality obligations no longer apply if:

- (a) the disclosing party agrees to release the other party
- (b) the information becomes publicly available, without breaching any confidentiality obligation
- (c) the disclosure of the sensitive information is required by EU, international or national law.

Specific confidentiality rules (if any) are set out in Annex 5.

### **13.2 Classified information**

The parties must handle classified information in accordance with the applicable EU, international or national law on classified information (in particular, Decision 2015/444<sup>8</sup> and its implementing rules).

Deliverables which contain classified information must be submitted according to special procedures agreed with the EuroHPC Joint Undertaking.

Action tasks involving classified information may be subcontracted only after explicit approval (in writing) from the EuroHPC Joint Undertaking.

Classified information may not be disclosed to any third party (including participants involved in the action implementation) without prior explicit written approval from the EuroHPC Joint Undertaking.

Specific security rules (if any) are set out in Annex 5.

### **13.3 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 14 — ETHICS AND VALUES**

### **14.1 Ethics**

The action must be carried out in line with the highest ethical standards and the applicable EU, international and national law on ethical principles.

Specific ethics rules (if any) are set out in Annex 5.

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<sup>8</sup> Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

## 14.2 Values

The beneficiary must commit to and ensure the respect of basic EU values (such as respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of minorities).

Specific rules on values (if any) are set out in Annex 5.

## 14.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## ARTICLE 15 — DATA PROTECTION

### 15.1 Data processing by the EuroHPC Joint Undertaking

Any personal data under the Agreement will be processed under the responsibility of the data controller of the EuroHPC Joint Undertaking in accordance with and for the purposes set out in the JU's Privacy Statement.

For grants where the granting authority is the European Commission, an EU regulatory or executive agency, joint undertaking or other EU body, the processing will be subject to Regulation 2018/1725<sup>9</sup>.

### 15.2 Data processing by the beneficiaries

The beneficiary must process personal data under the Agreement in compliance with the applicable EU, international and national law on data protection (in particular, Regulation 2016/679<sup>10</sup>).

They must ensure that personal data is:

- processed lawfully, fairly and in a transparent manner in relation to the data subjects
- collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes
- adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed

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<sup>9</sup> Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

<sup>10</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council 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 ('GDPR') (OJ L 119, 4.5.2016, p. 1).

- accurate and, where necessary, kept up to date
- kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data is processed and
- processed in a manner that ensures appropriate security of the data.

The beneficiary may grant its personnel access to personal data only if it is strictly necessary for implementing, managing and monitoring the Agreement. The beneficiary must ensure that the personnel is under a confidentiality obligation.

The beneficiary must inform the persons whose data are transferred to the granting authority and provide them with the EuroHPC Joint Undertaking's Privacy Statement.

### **15.3 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 16 — INTELLECTUAL PROPERTY RIGHTS (IPR) — BACKGROUND AND RESULTS — ACCESS RIGHTS AND RIGHTS OF USE**

### **16.1 Background and access rights to background**

Not applicable.

### **16.2 Ownership of results**

The EuroHPC Joint Undertaking does not obtain ownership of the results produced under the action.

'Results' means any tangible or intangible effect of the action, such as data, know-how or information, whatever its form or nature, whether or not it can be protected, as well as any rights attached to it, including intellectual property rights.

### **16.3 Rights of use of the EuroHPC Joint Undertaking on materials, documents and information received for policy, information, communication, dissemination and publicity purposes**

The EuroHPC Joint Undertaking has the right to use non-sensitive information relating to the action and materials and documents received from the beneficiaries (notably summaries for publication, deliverables, as well as any other material, such as pictures or audio-visual material, in paper or electronic form) for policy, information, communication, dissemination and publicity purposes — during the action or afterwards.

The right to use the beneficiaries' materials, documents and information is granted in the form of a royalty-free, non-exclusive and irrevocable licence, which includes the following rights:

- (a) **use for its own purposes** (in particular, making them available to persons working for the EuroHPC Joint Undertaking or any other EU service (including institutions, bodies,

offices, agencies, etc.) or EU Member State institution or body; copying or reproducing them in whole or in part, in unlimited numbers; and communication through press information services)

- (b) **distribution to the public** (in particular, publication as hard copies and in electronic or digital format, publication on the internet, as a downloadable or non-downloadable file, broadcasting by any channel, public display or presentation, communicating through press information services, or inclusion in widely accessible databases or indexes)
- (c) **editing or redrafting** (including shortening, summarising, inserting other elements (e.g. meta-data, legends, other graphic, visual, audio or text elements), extracting parts (e.g. audio or video files), dividing into parts, use in a compilation)
- (d) **translation**
- (e) **storage** in paper, electronic or other form
- (f) **archiving**, in line with applicable document-management rules
- (g) the right to authorise **third parties** to act on its behalf or sub-license to third parties the modes of use set out in Points (b), (c), (d) and (f), if needed for the information, communication and publicity activity of the EuroHPC Joint Undertaking and
- (h) **processing**, analysing, aggregating the materials, documents and information received and **producing derivative works**.

The rights of use are granted for the whole duration of the industrial or intellectual property rights concerned.

If materials or documents are subject to moral rights or third-party rights (including intellectual property rights or rights of natural persons on their image and voice), the beneficiaries must ensure that they comply with their obligations under this Agreement (in particular, by obtaining the necessary licences and authorisations from the rights holders concerned).

Where applicable, the EuroHPC Joint Undertaking will insert the following information:

“© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the [name of granting authority] under conditions.”

## 16.4 EuroHPC Joint Undertaking ownership, to protect results

**16.4.1** The EuroHPC Joint Undertaking may — with the consent of the beneficiary — assume ownership of results generated in relation to the beneficiary’s access time to protect them, if the beneficiary intends — up to four years after the period set out in Article 3 — to disseminate its results without protecting them, except in any of the following cases:

- a) the lack of protection is because protecting the results is not possible, reasonable or justified (given the circumstances);
- b) the lack of protection is because there is a lack of potential for commercial or industrial exploitation, or

c) the beneficiary intends to transfer the results to a third party established in an EU Member State or associated country<sup>7</sup>, which will protect them.

Before the results are disseminated and unless any of the cases above under Points (a), (b) or (c) applies, the beneficiary must formally notify the EuroHPC Joint Undertaking and at the same time inform it of any reasons for refusing consent. The beneficiary may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the EuroHPC Joint Undertaking decides to assume ownership, it will formally notify the beneficiary within 45 days of receiving notification.

No dissemination relating to these results may take place before the end of this period or, if the EuroHPC Joint Undertaking takes a positive decision, until it has taken the necessary steps to protect the results.

**16.4.2** The EuroHPC Joint Undertaking may — with the consent of the beneficiary — assume ownership of result to protect them, if the beneficiary intends — up to four years after the period set out in Article 3 — to stop protecting them or not to seek an extension of protection, except in any of the following cases:

- a) the protection is stopped because of a lack of potential for commercial or industrial exploitation;
- b) an extension would not be justified given the circumstances.

The beneficiary that intends to stop protecting results or not seek an extension must — unless any of the cases above under Points (a) or (b) applies — formally notify the EuroHPC Joint Undertaking at least 60 days before the protection lapses or its extension is no longer possible and at the same time inform it of any reasons for refusing consent. The beneficiary may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the EuroHPC Joint Undertaking decides to assume ownership, it will formally notify the beneficiary within 45 days of receiving notification.

## **16.5 Specific rules on background**

Not applicable.

## **16.6 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such a breach may also lead to other measures described in Chapter 5.

## ARTICLE 17 — COMMUNICATION, DISSEMINATION AND VISIBILITY

### 17.1 Communication — Dissemination — Promoting the action

Unless otherwise agreed with the EuroHPC Joint Undertaking, the beneficiaries must promote the action and its results by providing targeted information to multiple audiences (including the media and the public), in accordance with Annex 1 and in a strategic, coherent and effective manner.

Before engaging in a communication or dissemination activity expected to have a major media impact, the beneficiaries must inform the EuroHPC Joint Undertaking.

### 17.2 Visibility — European flag and funding statement

Unless otherwise agreed with the EuroHPC Joint Undertaking, communication activities of the beneficiaries related to the action (including media relations, conferences, seminars, information material, such as brochures, leaflets, posters, presentations, etc., in electronic form, via traditional or social media, etc.), dissemination activities and any infrastructure, equipment, vehicles, supplies or major result funded by the grant must acknowledge EU support and display the European flag (emblem) and funding statement (translated into local languages, where appropriate):



Funded by the  
European Union



Co-funded by the  
European Union



Co-funded by the  
European Union



Funded by the  
European Union

The emblem must remain distinct and separate and cannot be modified by adding other visual marks, brands or text.

Apart from the emblem, no other visual identity or logo may be used to highlight the EU support.

When displayed in association with other logos (e.g. of beneficiaries or sponsors), the emblem must be displayed at least as prominently and visibly as the other logos.

For the purposes of their obligations under this Article, the beneficiaries may use the emblem without first obtaining approval from the EuroHPC Joint Undertaking. This does not, however, give them the right to exclusive use. Moreover, they may not appropriate the emblem or any similar trademark or logo, either by registration or by any other means.

### **17.3 Quality of information — Disclaimer**

Any communication or dissemination activity related to the action must use factually accurate information.

Moreover, it must indicate the following disclaimer (translated into local languages where appropriate):

“Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the EuroHPC Joint Undertaking. Neither the European Union nor the EuroHPC Joint Undertaking can be held responsible for them.”

### **17.4 Specific communication, dissemination and visibility rules**

Specific communication, dissemination and visibility rules (if any) are set out in Annex 5.

### **17.5 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 18 — SPECIFIC RULES FOR CARRYING OUT THE ACTION**

### **18.1 Specific rules for carrying out the action**

Specific rules for implementing the action (if any) are set out in Annex 5.

### **18.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such a breach may also lead to other measures described in Chapter 5.

## **SECTION 3 GRANT ADMINISTRATION**

### **ARTICLE 19 — GENERAL INFORMATION OBLIGATIONS**

#### **19.1 Information requests**

The beneficiary must provide — during the action or afterwards and in accordance with Article 7 — any information requested in order to verify eligibility of the unit contributions declared,

proper implementation of the action and compliance with the other obligations under the Agreement.

The information provided must be accurate, precise and complete and in the format requested, including electronic format.

## **19.2 Participant Register data updates**

Not applicable.

## **19.3 Information about events and circumstances which impact the action**

The beneficiary must immediately inform the EuroHPC Joint Undertaking of any of the following:

- (a) **events** which are likely to affect or delay the implementation of the action or affect the EU's financial interests, in particular:
  - (i) changes in their legal, financial, technical, organisational or ownership situation (including changes linked to one of the exclusion grounds listed in the declaration of honour signed before grant signature)
  - (ii) linked action information: This Grant Agreement is linked to the Hosting Agreement No 4/2025 for the EuroHPC Joint Undertaking AI-optimised supercomputer LUMI AI with the beneficiary.
- (b) **circumstances** affecting:
  - (i) the decision to award the grant or
  - (ii) compliance with requirements under the Agreement.

## **19.4 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 20 — RECORD-KEEPING**

### **20.1 Keeping records and supporting documents**

The beneficiary must — at least until the time-limit set out in the Data Sheet (see Point 6) — keep records and other supporting documents to prove the proper implementation of the action in line with the accepted standards in the respective field (if any).

In addition, the beneficiaries must — for the same period — keep adequate records and supporting documents to prove the number of units declared; beneficiaries do not need to keep specific records on the actual costs incurred.

The records and supporting documents must be made available upon request (see Article 19) or in the context of checks, reviews, audits or investigations (see Article 25).

If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the Agreement (including the extension of findings; see Article 25), the beneficiaries must keep these records and other supporting documentation until the end of these procedures.

The beneficiary must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law. The EuroHPC Joint Undertaking may accept non-original documents if they offer a comparable level of assurance.

## **20.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, unit contributions insufficiently substantiated will be ineligible (see Article 6) and will be rejected (see Article 27), and the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 21 — REPORTING**

### **21.1 Obligation to submit reports**

The beneficiary must submit to the granting authority the technical and financial reports set out in this Article. These reports include the requests for payment.

### **21.2 Periodic reporting: Technical reports and financial statements**

The action is divided into the following ‘reporting periods’:

- RP1: from the start date of the grant to 42;
- RP2: from month 43 to month 54;
- RP3: from month 55 to month 66;
- RP4: from month 67 to month 78.
- RP5: from month 79 to month 90;
- RP6: from month 91 to month 102;

The beneficiary must provide reports to request payments, in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2):

- for additional prefinancing (if any): not applicable
- for interim payments (if any) and the final payment: a periodic report.

The prefinancing and periodic reports include a technical and financial part. The beneficiary must submit a periodic report within 60 days following the end of each reporting period.

The periodic report must include the following:

(a) a ‘periodic technical report’ containing:

- (i) an explanation of the work carried out by the beneficiary;
- (ii) an overview of the progress towards the objectives of the action, including milestones and deliverables identified in Annex 1. This report must include explanations justifying the differences between work expected to be carried out in accordance with Annex 1 and that actually carried out.
- (iii) a summary for publication by the EuroHPC Joint Undertaking;
- (iv) the answers to the ‘questionnaire’, covering issues related to the action implementation and the economic and societal impact;

(b) a ‘periodic financial report’

The financial part of the periodic report includes:

- the financial statements (individual and consolidated; for all beneficiaries/affiliated entities)
- the explanation on the use of resources (or detailed cost reporting table, if required)
- the certificates on the financial statements (CFS): not applicable.

The financial statements must detail the contributions for the units implemented in the reporting period.

Unit contributions which are not declared in a financial statement will not be taken into account by the granting authority.

By signing the financial statements, the beneficiaries confirm that:

- the information provided is complete, reliable and true
- the unit contributions declared are eligible (see Article 6)
- the contributions can be substantiated by adequate records and supporting documents (see Article 20) that will be produced upon request (see Article 19) or in the context of checks, reviews, audits and investigations (see Article 25).

### **21.3 Final report — Request for payment of the balance**

In addition to the periodic report for the last reporting period, the beneficiary must submit the final report within 60 days following the end of the last reporting period.

The final report must include the following:

(a) a ‘final technical report’ with a summary for publication containing:

- (i) an overview of the results and their dissemination;
- (ii) the conclusions on the action, and

(iii) the socio-economic impact of the action;

(b) a ‘final financial report’ containing a ‘final summary financial statement’, consolidating the financial statements for all reporting periods and including the request for payment of the balance.

#### **21.4 Currency for financial statements and conversion into euros**

The financial statements must be drafted in euro.

#### **21.5 Reporting language**

The reporting must be in the language of the Agreement, unless otherwise agreed with the EuroHPC Joint Undertaking (see Data Sheet, Point 4.2).

#### **21.6 Consequences of non-compliance**

If a report submitted does not comply with this Article, the EuroHPC Joint Undertaking may suspend the payment deadline (see Article 29) and apply other measures described in Chapter 5.

If the beneficiary breaches its reporting obligations, the granting authority may terminate the grant (see Article 32) or apply other measures described in Chapter 5.

### **ARTICLE 22 — PAYMENTS AND RECOVERIES — CALCULATION OF AMOUNTS DUE**

#### **22.1 Payments and payment arrangements**

Payments will be made in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2).

They will be made in euro to the bank account indicated by the beneficiary (see Data Sheet, Point 4.2) and must be distributed without unjustified delay (restrictions may apply to distribution of the initial prefinancing payment; see Data Sheet, Point 4.2).

Payments to this bank account will discharge the granting authority from its payment obligation.

The cost of payment transfers will be borne as follows:

- the granting authority bears the cost of transfers charged by its bank
- the beneficiary bears the cost of transfers charged by its bank
- the party causing a repetition of a transfer bears all costs of the repeated transfer.

Payments by the granting authority will be considered to have been carried out on the date when they are debited to its account.

#### **22.2 Recoveries**

Recoveries will be made, if — at beneficiary termination, final payment or afterwards — it turns out that the granting authority has paid too much and needs to recover the amounts undue.

The general liability regime for recoveries (first-line liability) is as follows: At final payment, the beneficiary will be fully liable for recoveries, even if it has not been the final recipient of the undue amounts. At beneficiary termination or after final payment, recoveries will be made directly against the beneficiaries concerned.

Beneficiaries will be fully liable for repaying the debts of their affiliated entities.

In case of enforced recoveries (see Article 22.4):

- the beneficiaries will be jointly and severally liable for repaying debts of another beneficiary under the Agreement (including late-payment interest), if required by the granting authority (see Data Sheet, Point 4.4)
- affiliated entities will be held liable for repaying debts of their beneficiaries under the Agreement (including late-payment interest), if required by the granting authority (see Data Sheet, Point 4.4).

## **22.3 Amounts due**

### **22.3.1 Prefinancing payments**

The aim of the prefinancing is to provide the beneficiaries with a float.

It remains the property of the EU until the final payment.

For **initial prefinancings** (if any), the amount due, schedule and modalities are set out in the Data Sheet (see Point 4.2).

For **additional prefinancings**: not applicable

Prefinancing payments (or parts of them) may be offset (without the beneficiaries' consent) against amounts owed by a beneficiary to the EuroHPC Joint Undertaking — up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

### **22.3.2 Amount due at beneficiary termination — Recovery**

At beneficiary termination there will be no payment, but the grant must be provisionally closed for the beneficiary.

Payments (if any) will be made with the next interim or final payment.

The **amount due** will be calculated in the following step:

Step 1 — Calculation of the total accepted EU contribution

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the beneficiary for all reporting periods, by calculating the unit contributions for the accepted units.

After that, the granting authority will take into account grant reductions (if any). The resulting amount is the ‘total accepted EU contribution’ for the beneficiary.

The **balance** is then calculated by deducting the payments received (if any; see report on the distribution of payments in Article 32), from the total accepted EU contribution:

$$\begin{aligned} & \{ \text{total accepted EU contribution for the beneficiary} \\ & \text{minus} \\ & \{ \text{prefinancing and interim payments received (if any)} \} \}. \end{aligned}$$

If the balance is **positive**, the amount will be included in the next interim or final payment to the consortium.

If the balance is **negative**, it will be **recovered** in accordance with the following procedure:

The EuroHPC Joint Undertaking will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to recover, the amount due, the amount to be recovered and the reasons why and
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered and ask this amount to be paid to the beneficiary (**confirmation letter**).

The amounts will later on also be taken into account for the next interim or final payment.

### 22.3.3 Interim payments

Interim payments reimburse the eligible contributions claimed for the units implemented during the reporting periods (if any).

Interim payments (if any) will be made in accordance with the schedule and modalities set out the Data Sheet (see Point 4.2).

Payment is subject to the approval of the periodic report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

The **interim payment** will be calculated by the granting authority in the following steps:

- Step 1 — Calculation of the total accepted EU contribution
- Step 2 — Limit to the interim payment ceiling

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the action for the reporting period, by calculating the unit contributions for the accepted units.

After that, the granting authority will take into account grant reductions from beneficiary termination (if any). The resulting amount is the ‘total accepted EU contribution’.

#### Step 2 — Limit to the interim payment ceiling

The resulting amount is then capped to ensure that the total amount of prefinancing and interim payments (if any) does not exceed the interim payment ceiling set out in the Data Sheet (see Point 4.2).

Interim payments (or parts of them) may be offset (without the beneficiaries’ consent) against amounts owed by a beneficiary to the granting authority — up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

#### **22.3.4 Final payment — Final grant amount — Revenues and Profit — Recovery**

The final payment (payment of the balance) reimburses the eligible contributions claimed for the remaining units implemented (if any).

The final payment will be made in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2).

Payment is subject to the approval of the final periodic report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

The **final grant amount for the action** will be calculated in the following steps:

Step 1 — Calculation of the total accepted EU contribution

Step 2 — Limit to the maximum grant amount

Step 3 — Reduction due to the no-profit rule

#### Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the action for all reporting periods, by calculating the unit contributions for the accepted units.

After that, the granting authority will take into account grant reductions (if any). The resulting amount is the ‘total accepted EU contribution’.

#### Step 2 — Limit to the maximum grant amount

If the resulting amount is higher than the maximum grant amount set out in Article 5.2, it will be limited to the latter.

### Step 3 — Reduction due to the no-profit rule

#### Not applicable

The **balance** (final payment) is then calculated by deducting the total amount of prefinancing and interim payments already made (if any), from the final grant amount:

$$\begin{aligned} & \{ \text{final grant amount} \\ & \text{minus} \\ & \{ \text{prefinancing and interim payments made (if any)} \} \}. \end{aligned}$$

If the balance is **positive**, it will be **paid** to the beneficiary.

The final payment (or part of it) may be offset (without the beneficiaries' consent) against amounts owed by a beneficiary to the granting authority— up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

If the balance is **negative**, it will be **recovered** in accordance with the following procedure:

The granting authority will send a **pre-information letter** to the beneficiary:

- formally notifying the intention to recover, the final grant amount, the amount to be recovered and the reasons why
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered (**confirmation letter**), together with a **debit note** with the terms and date for payment.

If payment is not made by the date specified in the debit note, the granting authority will **enforce recovery** in accordance with Article 22.4.

#### **22.3.5 Audit implementation after final payment — Revised final grant amount — Recovery**

If — after the final payment (in particular, after checks, reviews, audits or investigations; see Article 25) — the granting authority rejects unit contributions (see Article 27) or reduces the grant (see Article 28), it will calculate the **revised final grant amount** for the beneficiary concerned.

The **beneficiary revised final grant amount** will be calculated in the following step:

Step 1 — Calculation of the revised total accepted EU contribution

Step 1 — Calculation of the revised total accepted EU contribution

The granting authority will first calculate the ‘revised accepted EU contribution’ for the beneficiary, by calculating the ‘revised accepted contributions’.

After that, it will take into account grant reductions (if any). The resulting ‘revised total accepted EU contribution’ is the beneficiary revised final grant amount.

If the revised final grant amount is lower than the beneficiary’s final grant amount (i.e. its share in the final grant amount for the action), it will be **recovered** in accordance with the following procedure:

The **beneficiary final grant amount** (i.e. share in the final grant amount for the action) is calculated as follows:

$$\left\{ \left\{ \begin{array}{l} \text{total accepted EU contribution for the beneficiary} \\ \text{divided by} \\ \text{total accepted EU contribution for the action} \end{array} \right\} \right. \\ \left. \begin{array}{l} \text{multiplied by} \\ \text{final grant amount for the action} \end{array} \right\}.$$

The granting authority will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to recover, the amount to be recovered and the reasons why and
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered (**confirmation letter**), together with a **debit note** with the terms and the date for payment.

Recoveries against affiliated entities (if any) will be handled through their beneficiaries.

If payment is not made by the date specified in the debit note, the granting authority will **enforce recovery** in accordance with Article 22.4.

## 22.4 Enforced recovery

If payment is not made by the date specified in the debit note, the amount due will be recovered:

- (a) by offsetting the amount — without the beneficiary’s consent — against any amounts owed to the beneficiary by the granting authority.

In exceptional circumstances, to safeguard the EU financial interests, the amount may be offset before the payment date specified in the debit note.

For grants where the granting authority is the European Commission or an EU executive agency, debts may also be offset against amounts owed by other Commission services or executive agencies.

- (b) by drawing on the financial guarantee(s) (if any)
- (c) by holding other beneficiaries jointly and severally liable (if any; see Data Sheet, Point 4.4)
- (d) by holding affiliated entities jointly and severally liable (if any, see Data Sheet, Point 4.4) or
- (e) by taking legal action (see Article 43) or, provided that the granting authority is the European Commission or an EU executive agency, by adopting an enforceable decision under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 100(2) of EU Financial Regulation 2024/2509.

The amount to be recovered will be increased by **late-payment interest** at the rate set out in Article 22.5, from the day following the payment date in the debit note, up to and including the date the full payment is received.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2015/2366<sup>11</sup> applies.

For grants where the granting authority is an EU executive agency, enforced recovery by offsetting or enforceable decision will be done by the services of the European Commission (see also Article 43).

## 22.5 Consequences of non-compliance

**22.5.1** If the granting authority does not pay within the payment deadlines (see above), the beneficiaries are entitled to **late-payment interest** at the reference rate applied by the European Central Bank (ECB) for its main refinancing operations in euros, plus the percentage specified in the Data Sheet (Point 4.2). The ECB reference rate to be used is the rate in force on the first day of the month in which the payment deadline expires, as published in the C series of the *Official Journal of the European Union*.

If the late-payment interest is lower than or equal to EUR 200, it will be paid to the beneficiary only on request submitted within two months of receiving the late payment.

Late-payment interest is not due if all beneficiaries are EU Member States (including regional and local government authorities or other public bodies acting on behalf of a Member State for the purpose of this Agreement).

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<sup>11</sup> Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).

If payments or the payment deadline are suspended (see Articles 29 and 30), payment will not be considered as late.

Late-payment interest covers the period running from the day following the due date for payment (see above), up to and including the date of payment.

Late-payment interest is not considered for the purposes of calculating the final grant amount.

**22.5.2** If the beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 29) and the grant may or the beneficiary may be terminated (see Article 32).

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 23 — GUARANTEES**

### **23.1 Prefinancing guarantee**

If required by the granting authority (see Data Sheet, Point 4.2), the beneficiary must provide a prefinancing guarantee in accordance with the timing and the amounts set out in the Data Sheet.

The guarantees must fulfil the following conditions:

- (a) be provided by a bank or approved financial institution established in the EU or — if requested by the beneficiary and accepted by the granting authority — by a third party or a bank or financial institution established outside the EU offering equivalent security
- (b) the guarantor stands as first-call guarantor and does not require the granting authority to first have recourse against the principal debtor (i.e. the beneficiary concerned) and
- (c) remain explicitly in force until the final payment and, if the final payment takes the form of a recovery, until five months after the debit note is notified to a beneficiary.

They will be released within the following month.

### **23.2 Consequences of non-compliance**

If the beneficiary breaches its obligation to provide the prefinancing guarantee, the prefinancing will not be paid.

Such breaches may also lead to other measures described in Chapter 5.

## **ARTICLE 24 — CERTIFICATES**

Not applicable

## **ARTICLE 25 — CHECKS, REVIEWS, AUDITS AND INVESTIGATIONS — EXTENSION OF FINDINGS**

### **25.1 Granting authority checks, reviews and audits**

#### **25.1.1 Internal checks**

The granting authority may — during the action or afterwards — check the proper implementation of the action and compliance with the obligations under the Agreement, including assessing unit contributions, deliverables and reports.

### **25.1.2 Project reviews**

The granting authority may carry out reviews on the proper implementation of the action and compliance with the obligations under the Agreement (general project reviews or specific issues reviews).

Such project reviews may be started during the implementation of the action and until the time-limit set out in the Data Sheet (see Point 6). They will be formally notified to the beneficiary and will be considered to start on the date of the notification.

If needed, the granting authority may be assisted by independent, outside experts. If it uses outside experts, the beneficiary will be informed and have the right to object on grounds of commercial confidentiality or conflict of interest.

The beneficiary must cooperate diligently and provide — within the deadline requested — any information and data in addition to deliverables and reports already submitted (including information on the use of resources). The granting authority may request beneficiaries to provide such information to it directly. Sensitive information and documents will be treated in accordance with Article 13.

The beneficiary concerned may be requested to participate in meetings, including with the outside experts.

For **on-the-spot** visits, the beneficiary concerned must allow access to sites and premises (including to the outside experts) and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the review findings, a **project review report** will be drawn up.

The granting authority will formally notify the project review report to the beneficiary, which has 30 days from receiving notification to make observations.

Project reviews (including project review reports) will be in the language of the Agreement.

### **25.1.3 Audits**

The granting authority may carry out audits on the proper implementation of the action and compliance with the obligations under the Agreement.

Such audits may be started during the implementation of the action and until the time-limit set out in the Data Sheet (see Point 6). They will be formally notified to the beneficiary concerned and will be considered to start on the date of the notification.

The granting authority may use its own audit service, delegate audits to a centralised service or use external audit firms. If it uses an external firm, the beneficiary concerned will be informed and have the right to object on grounds of commercial confidentiality or conflict of interest.

The beneficiary concerned must cooperate diligently and provide — within the deadline requested — any information (including complete accounts, individual salary statements or other personal data) to verify compliance with the Agreement. Sensitive information and documents will be treated in accordance with Article 13.

For **on-the-spot** visits, the beneficiary concerned must allow access to sites and premises (including for the external audit firm) and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the audit findings, a **draft audit report** will be drawn up.

The auditors will formally notify the draft audit report to the beneficiary concerned, which has 30 days from receiving notification to make observations (contradictory audit procedure).

The **final audit report** will take into account observations by the beneficiary concerned and will be formally notified to them.

Audits (including audit reports) will be in the language of the Agreement.

## **25.2 European Commission checks, reviews and audits in grants of other granting authorities**

Where the granting authority is not the European Commission, the latter has the same rights of checks, reviews and audits as the granting authority.

## **25.3 Access to records for assessing simplified forms of funding**

The beneficiaries must give the European Commission access to their statutory records for the periodic assessment of simplified forms of funding which are used in EU programmes.

## **25.4 OLAF, EPPO and ECA audits and investigations**

The following bodies may also carry out checks, reviews, audits and investigations — during the action or afterwards:

- the European Anti-Fraud Office (OLAF) under Regulations No 883/2013<sup>12</sup> and No 2185/96<sup>13</sup>

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<sup>12</sup> Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18/09/2013, p. 1).

<sup>13</sup> Council Regulation (Euratom, EC) No 2185/1996 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15/11/1996, p. 2).

- the European Public Prosecutor’s Office (EPPO) under Regulation 2017/1939
- the European Court of Auditors (ECA) under Article 287 of the Treaty on the Functioning of the EU (TFEU) and Article 263 of EU Financial Regulation 2024/2509.

If requested by these bodies, the beneficiary concerned must provide full, accurate and complete information in the format requested (including complete accounts, individual salary statements or other personal data, including in electronic format) and allow access to sites and premises for on-the-spot visits or inspections — as provided for under these Regulations.

To this end, the beneficiary concerned must keep all relevant information relating to the action, at least until the time-limit set out in the Data Sheet (Point 6) and, in any case, until any ongoing checks, reviews, audits, investigations, litigation or other pursuits of claims have been concluded.

## **25.5 Consequences of checks, reviews, audits and investigations — Extension of findings**

### **25.5.1 Consequences of checks, reviews, audits and investigations in this grant**

Findings in checks, reviews, audits or investigations carried out in the context of this grant may lead to rejections (see Article 27), grant reduction (see Article 28) or other measures described in Chapter 5.

Rejections or grant reductions after the final payment will lead to a revised final grant amount (see Article 22).

Findings in checks, reviews, audits or investigations during the action implementation may lead to a request for amendment (see Article 39), to change the description of the action set out in Annex 1.

Checks, reviews, audits or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations in any EU grant may also lead to consequences in other EU grants awarded under similar conditions (‘extension to other grants’).

Moreover, findings arising from an OLAF or EPPO investigation may lead to criminal prosecution under national law.

### **25.5.2 Extension from other grants**

Findings of checks, reviews, audits or investigations in other grants may be extended to this grant, if:

- (a) the beneficiary concerned is found, in other EU grants awarded under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant and
- (b) those findings are formally notified to the beneficiary concerned — together with the list of grants affected by the findings — within the time-limit for audits set out in the Data Sheet (see Point 6).

The granting authority will formally notify the beneficiary concerned of the intention to extend the findings and the list of grants affected.

If the extension concerns **rejections of unit contributions**: the notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings
- (b) the request to submit revised financial statements for all grants affected
- (c) the correction rate for extrapolation, established on the basis of the systemic or recurrent errors, to calculate the amounts to be rejected, if the beneficiary concerned:
  - (i) considers that the submission of revised financial statements is not possible or practicable or
  - (ii) does not submit revised financial statements.

If the extension concerns **grant reductions**: the notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings and
- (b) the **correction rate for extrapolation**, established on the basis of the systemic or recurrent errors and the principle of proportionality.

The beneficiary concerned has **60 days** from receiving notification to submit observations, revised financial statements or to propose a duly substantiated **alternative correction method/rate**.

On the basis of this, the granting authority will analyse the impact and decide on the implementation (i.e. start rejection or grant reduction procedures, either on the basis of the revised financial statements or the announced/alternative method/rate or a mix of those; see Articles 27 and 28).

## 25.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, unit contributions insufficiently substantiated will be ineligible (see Article 6) and will be rejected (see Article 27), and the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

## ARTICLE 26 — IMPACT EVALUATIONS

### 26.1 Impact evaluation

The granting authority may carry out impact evaluations of the action, measured against the objectives and indicators of the EU programme funding the grant.

Such evaluations may be started during implementation of the action and until the time-limit set out in the Data Sheet (see Point 6). They will be formally notified to the beneficiary and will be considered to start on the date of the notification.

If needed, the granting authority may be assisted by independent outside experts.

The beneficiary must provide any information relevant to evaluate the impact of the action, including information in electronic format.

## **26.2 Consequences of non-compliance**

If a beneficiary breaches any of its obligations under this Article, the granting authority may apply the measures described in Chapter 5.

# **CHAPTER 5 CONSEQUENCES OF NON-COMPLIANCE**

## **SECTION 1 REJECTIONS AND GRANT REDUCTION**

### **ARTICLE 27 — REJECTION OF CONTRIBUTIONS**

#### **27.1 Conditions**

The granting authority will — at beneficiary termination, interim payment, final payment or afterwards — reject any unit contributions which are ineligible (see Article 6), in particular following checks, reviews, audits or investigations (see Article 25).

The rejection may also be based on the extension of findings from other grants to this grant (see Article 25).

Ineligible unit contributions will be rejected.

#### **27.2 Procedure**

If the rejection does not lead to a recovery, the granting authority will formally notify the beneficiary of the rejection, the amounts and the reasons why. The beneficiary may — within 30 days of receiving notification — submit observations if it disagrees with the rejection (payment review procedure).

If the rejection leads to a recovery, the granting authority will follow the contradictory procedure with pre-information letter set out in Article 22.

#### **27.3 Effects**

If the granting authority rejects unit contributions, it will deduct them from the contributions declared and then calculate the amount due (and, if needed, make a recovery; see Article 22).

### **ARTICLE 28 — GRANT REDUCTION**

#### **28.1 Conditions**

The granting authority may — at beneficiary termination, final payment or afterwards — reduce the grant for a beneficiary, if:

- (a) the beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
  - (i) substantial errors, irregularities or fraud or
  - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the

call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or

- (b) the beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5).

The amount of the reduction will be calculated for each beneficiary concerned and proportionate to the seriousness and the duration of the errors, irregularities or fraud or breach of obligations, by applying an individual reduction rate to their accepted EU contribution.

## **28.2 Procedure**

If the grant reduction does not lead to a recovery, the granting authority will formally notify the beneficiary concerned of the reduction, the amount to be reduced and the reasons why. The beneficiary concerned may — within 30 days of receiving notification — submit observations if it disagrees with the reduction (payment review procedure).

If the grant reduction leads to a recovery, the granting authority will follow the contradictory procedure with pre-information letter set out in Article 22.

## **28.3 Effects**

If the granting authority reduces the grant, it will deduct the reduction and then calculate the amount due (and, if needed, make a recovery; see Article 22).

## **SECTION 2 — SUSPENSION AND TERMINATION**

### **ARTICLE 29 — PAYMENT DEADLINE SUSPENSION**

#### **29.1 Conditions**

The granting authority may — at any moment — suspend the payment deadline if a payment cannot be processed because:

- (a) the required report (see Article 21) has not been submitted or is not complete or additional information is needed
- (b) there are doubts about the amount to be paid (e.g. ongoing extension procedure, queries about eligibility, need for a grant reduction, etc.) and additional checks, reviews, audits or investigations are necessary, or
- (c) there are other issues affecting the EU financial interests.

#### **29.2 Procedure**

The granting authority will formally notify the beneficiary of the suspension and the reasons why.

The suspension will **take effect** the day the notification is sent.

If the conditions for suspending the payment deadline are no longer met, the suspension will be **lifted** — and the remaining time to pay (see Data Sheet, Point 4.2) will resume.

If the suspension exceeds two months, the beneficiary may request the EuroHPC Joint Undertaking to confirm if the suspension will continue.

If the payment deadline has been suspended due to the non-compliance of the report and the revised report is not submitted (or was submitted but is also rejected), the EuroHPC Joint Undertaking may also terminate the grant or the participation of the beneficiary (see Article 32).

## **ARTICLE 30 — PAYMENT SUSPENSION**

### **30.1 Conditions**

The granting authority may — at any moment — suspend payments, in whole or in part for one or more beneficiaries, if:

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
  - (i) substantial errors, irregularities or fraud or
  - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5).

If payments are suspended for one or more beneficiaries, the granting authority will make partial payment(s) for the part(s) not suspended. If suspension concerns the final payment, the payment (or recovery) of the remaining amount after suspension is lifted will be considered to be the payment that closes the action.

### **30.2 Procedure**

Before suspending payments, the granting authority will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to suspend payments and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the suspension (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

At the end of the suspension procedure, the granting authority will also inform the beneficiary.

The suspension will **take effect** the day after the confirmation notification is sent.

If the conditions for resuming payments are met, the suspension will be **lifted**. The granting authority will formally notify the beneficiary and set the suspension end date.

During the suspension, no prefinancing will be paid to the beneficiaries concerned. For interim payments, the periodic reports for all reporting periods except the last one (see Article 21) must not contain any financial statements from the beneficiary concerned (or its affiliated entities). The beneficiary must include them in the next periodic report after the suspension is lifted or — if suspension is not lifted before the end of the action — in the last periodic report.

## ARTICLE 31 — GRANT AGREEMENT SUSPENSION

### 31.1 Consortium-requested GA suspension

#### 31.1.1 Conditions and procedure

The beneficiary may request the suspension of the grant or any part of it, if exceptional circumstances — in particular *force majeure* (see Article 35) — make implementation impossible or excessively difficult.

The beneficiary must submit a request for **amendment** (see Article 39), with:

- the reasons why
- the date the suspension takes effect; this date may be before the date of the submission of the amendment request and
- the expected date of resumption.

The suspension will **take effect** on the day specified in the amendment.

Once circumstances allow for implementation to resume, the beneficiary must immediately request another **amendment** of the Agreement to set the suspension end date, the resumption date (one day after suspension end date), extend the duration and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the grant has been terminated (see Article 32). The suspension will be **lifted** with effect from the suspension end date set out in the amendment. This date may be before the date of the submission of the amendment request.

During the suspension, no prefinancing will be paid. Moreover, no units may be implemented. Ongoing units must be interrupted, and no new units may be started. Unit contributions for activities implemented during grant suspension are not eligible (see Article 6.3).

### 31.2 EU-initiated GA suspension

#### 31.2.1 Conditions

The granting authority may suspend the grant or any part of it, if:

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
- (i) substantial errors, irregularities or fraud or
  - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5)
- (c) other:
- (i) linked action issues: the linked action (see Article 3) has not started as specified in Annex 1, has been suspended or can no longer contribute, and this impacts the implementation of the action under this Agreement.
  - (ii) additional GA suspension grounds: not applicable.

### 31.2.2 Procedure

Before suspending the grant, the granting authority will send a **pre-information letter** to the beneficiary:

- formally notifying the intention to suspend the grant and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the suspension (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

The suspension will **take effect** the day after the confirmation notification is sent (or on a later date specified in the notification).

Once the conditions for resuming implementation of the action are met, the granting authority will formally notify the beneficiary a **lifting of suspension letter**, in which it will set the suspension end date and invite the beneficiary to request an amendment of the Agreement to set the resumption date (one day after suspension end date), extend the duration and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the grant has been terminated (see Article 32). The suspension will be **lifted** with effect from the suspension end date set out in the lifting of suspension letter. This date may be before the date on which the letter is sent.

During the suspension, no prefinancing will be paid. Moreover, no units may be implemented. Ongoing units must be interrupted and no new units may be started. Unit contributions for activities implemented during suspension are not eligible (see Article 6.3).

The beneficiary may not claim damages due to suspension by the granting authority (see Article 33).

Grant suspension does not affect the granting authority's right to terminate the grant or a beneficiary (see Article 32) or reduce the grant (see Article 28).

## **ARTICLE 32 — GRANT AGREEMENT OR BENEFICIARY TERMINATION**

### **32.1 Beneficiary-requested GA termination**

#### **32.1.1 Conditions and procedure**

The beneficiary may request the termination of the grant.

The beneficiary must submit a request for **amendment** (see Article 39), with:

- the reasons why
- the date the beneficiary ends work on the action ('end of work date') and
- the date the termination takes effect ('termination date'); this date must be after the date of the submission of the amendment request.

The termination will **take effect** on the termination date specified in the amendment.

If no reasons are given or if the granting authority considers the reasons do not justify termination, it may consider the grant terminated improperly.

#### **32.1.2 Effects**

The beneficiary must — within 60 days from when termination takes effect — submit a **periodic report** (for the open reporting period until termination).

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted and taking into account the unit contributions for activities implemented before the end of work date (see Article 22).

If the granting authority does not receive the report within the deadline, only unit contributions which are included in an approved periodic report will be taken into account (no contributions if no periodic report was ever approved).

Improper termination may lead to a grant reduction (see Article 28).

After termination, the beneficiary's obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

## **32.2 Consortium-requested beneficiary termination**

Not applicable

## **32.3 EU-initiated GA or beneficiary termination**

### **32.3.1 Conditions**

The granting authority may terminate the grant or the participation of one or more beneficiaries, if:

- (a) one or more beneficiaries do not accede to the Agreement (see Article 40)
- (b) a change to the action or the legal, financial, technical, organisational or ownership situation of a beneficiary is likely to substantially affect the implementation of the action or calls into question the decision to award the grant (including changes linked to one of the exclusion grounds listed in the declaration of honour)
- (c) following termination of one or more beneficiaries, the necessary changes to the Agreement (and their impact on the action) would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (d) implementation of the action has become impossible or the changes necessary for its continuation would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (e) a beneficiary (or person with unlimited liability for its debts) is subject to bankruptcy proceedings or similar (including insolvency, winding-up, administration by a liquidator or court, arrangement with creditors, suspension of business activities, etc.)
- (f) a beneficiary (or person with unlimited liability for its debts) is in breach of social security or tax obligations
- (g) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has been found guilty of grave professional misconduct
- (h) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking
- (i) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) was created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin (or created another entity with this purpose)
- (j) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
  - (i) substantial errors, irregularities or fraud or

- (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.)
- (k) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5)
- (l) despite a specific request by the granting authority, a beneficiary does not request an amendment to the Agreement to end the participation of one of its affiliated entities or associated partners that is in one of the situations under points (d), (f), (e), (g), (h), (i) or (j) and to reallocate its tasks, or
- (m) other:
  - (i) linked action issues: the linked action (see Article 3) has not started as specified in Annex 1, has been terminated or can no longer contribute, and this impacts the implementation of the action under this Agreement
  - (ii) additional GA termination grounds: not applicable.

### 32.3.2 Procedure

Before terminating the grant or participation of one or more beneficiaries, the granting authority will send a **pre-information letter** to the beneficiary:

- formally notifying the intention to terminate and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the termination and the date it will take effect (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

The termination will **take effect** the day after the confirmation notification is sent (or on a later date specified in the notification; ‘termination date’).

### 32.3.3 Effects

- (a) for **GA termination**:

The beneficiary — within 60 days from when termination takes effect — submit a **periodic report** (for the last open reporting period until termination).

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted (see Article 22). Only units implemented until termination will be accepted.

If the grant is terminated for breach of the obligation to submit reports, the beneficiary may not submit any report after termination.

If the granting authority does not receive the report within the deadline, only unit contributions which are included in an approved periodic report will be taken into account (no contributions if no periodic report was ever approved).

Termination does not affect the granting authority's right to reduce the grant (see Article 28) or to impose administrative sanctions (see Article 34).

The beneficiary may not claim damages due to termination by the granting authority (see Article 33).

After termination, the beneficiaries' obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

(b) for **beneficiary termination**:

Not applicable

## **SECTION 3 OTHER CONSEQUENCES: DAMAGES AND ADMINISTRATIVE SANCTIONS**

### **ARTICLE 33 — DAMAGES**

#### **33.1 Liability of the granting authority**

The granting authority cannot be held liable for any damage caused to the beneficiaries or to third parties as a consequence of the implementation of the Agreement, including for gross negligence.

The granting authority cannot be held liable for any damage caused by any of the beneficiaries or other participants involved in the action, as a consequence of the implementation of the Agreement.

#### **33.2 Liability of the beneficiaries**

The beneficiary must compensate the granting authority for any damage it sustains as a result of the implementation of the action or because the action was not implemented in full compliance with the Agreement, provided that it was caused by gross negligence or wilful act.

The liability does not extend to indirect or consequential losses or similar damage (such as loss of profit, loss of revenue or loss of contracts), provided such damage was not caused by wilful act or by a breach of confidentiality.

### **ARTICLE 34 — ADMINISTRATIVE SANCTIONS AND OTHER MEASURES**

Nothing in this Agreement may be construed as preventing the adoption of administrative sanctions (i.e. exclusion from EU award procedures and/or financial penalties) or other public law measures, in addition or as an alternative to the contractual measures provided under this

Agreement (see, for instance, Articles 137 to 148 EU Financial Regulation 2024/2509 and Articles 4 and 7 of Regulation 2988/95<sup>14</sup>).

## **SECTION 4 FORCE MAJEURE**

### **ARTICLE 35 — FORCE MAJEURE**

A party prevented by force majeure from fulfilling its obligations under the Agreement cannot be considered in breach of them.

‘Force majeure’ means any situation or event that:

- prevents either party from fulfilling their obligations under the Agreement,
- was unforeseeable, exceptional situation and beyond the parties’ control,
- was not due to error or negligence on their part (or on the part of other participants involved in the action), and
- proves to be inevitable in spite of exercising all due diligence.

Any situation constituting force majeure must be formally notified to the other party without delay, stating the nature, likely duration and foreseeable effects.

The parties must immediately take all the necessary steps to limit any damage due to force majeure and do their best to resume implementation of the action as soon as possible.

## **CHAPTER 6 FINAL PROVISIONS**

### **ARTICLE 36 — COMMUNICATION BETWEEN THE PARTIES**

#### **36.1 Forms and means of communication — Electronic management**

Communication under the Agreement (information, requests, submissions, ‘formal notifications’, etc.) must:

- be made in writing (in paper or electronic form) in the language of the Agreement,
- bear the number of the Agreement, and
- be made using the communication details identified in Article 36.3.

In particular, the parties agree that any formal notification made by mail or email has full legal effect and is admissible as evidence in administrative or judicial proceedings. If a party requests written confirmation of an electronic communication within a reasonable time, the sender must provide the signed hard copy of the document sent electronically as soon as possible.

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<sup>14</sup> Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).

### **36.2 Date of communication**

Communications are considered to have been made when they are sent by the sending party (i.e. on the date and time they are sent).

Formal notifications are considered to have been made when they are received by the receiving party (i.e. on the date and time of acceptance by the receiving party, as indicated by the time stamp). A formal notification that has not been accepted within 10 days after sending is considered to have been accepted.

An email is considered to have been received by the receiving party on the date of dispatch, provided that it is sent to the email address indicated in Article 52.3. The sender must be able to prove the date of dispatch, for instance by an automatically generated read report. If the sender receives a non-delivery report, it must make every effort to ensure that the other party receives the communication by email or mail. In such a case, the sender is not held in breach of its obligation to send the communication within a specified time limit.

Mail sent to the granting authority using the postal or courier services is considered to have been received by the granting authority on the date on which it is registered by it.

Formal notifications on paper sent by registered post with proof of delivery (only after the payment of the balance) are considered to have been made on either:

- the delivery date registered by the postal service or
- the deadline for collection at the post office.

### **36.3 Addresses for communication**

For the purpose of this agreement, communications must be sent to the following addresses:

EuroHPC JU:

European High Performance Computing Joint Undertaking  
Technopolis Building (Ex Drosbach) - Wing E – 1st floor  
12E rue Guillaume Kroll  
L-2920 Luxembourg  
Email: [info@eurohpc-ju.europa.eu](mailto:info@eurohpc-ju.europa.eu)

For the beneficiary:

CSC – Tieteen tietotekniikan keskus Oy  
Pekka Manninen  
LUMI AI Factory Director  
CSC – Tieteen tietotekniikan keskus Oy  
Keilaranta 14, P.O. BOX 405, 02101 Espoo, Finland  
E-mail: [contact@lumi-supercomputer.eu](mailto:contact@lumi-supercomputer.eu)

## **ARTICLE 37 — INTERPRETATION OF THE AGREEMENT**

The provisions in the Data Sheet take precedence over the rest of the Terms and Conditions of the Agreement.

Annex 5 takes precedence over the Terms and Conditions; the Terms and Conditions take precedence over the Annexes other than Annex 5.

Annex 2 takes precedence over Annex 1.

## **ARTICLE 38 — CALCULATION OF PERIODS AND DEADLINES**

In accordance with Regulation No 1182/71<sup>15</sup>, periods expressed in days, months or years are calculated from the moment the triggering event occurs.

The day during which that event occurs is not considered as falling within the period.

‘Days’ means calendar days, not working days.

## **ARTICLE 39 — AMENDMENTS**

### **39.1 Conditions**

The Agreement may be amended, unless the amendment entails changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

Amendments may be requested by any of the parties.

### **39.2 Procedure**

The party requesting an amendment must submit a request for amendment (see Article 32).

The beneficiary submits and receives requests for amendment.

The request for amendment must include:

- the reasons why
- the appropriate supporting documents.

The granting authority may request additional information.

If the party receiving the request agrees, it must sign the amendment in the tool within 45 days of receiving notification (or any additional information the granting authority has requested). If it does not agree, it must formally notify its disagreement within the same deadline. The deadline may be extended, if necessary for the assessment of the request. If no notification is received within the deadline, the request is considered to have been rejected.

An amendment **enters into force** on the day of the signature of the receiving party.

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<sup>15</sup> Regulation (EEC, Euratom) No 1182/71 of the Council of 3 June 1971 determining the rules applicable to periods, dates and time-limits (OJ L 124, 8/6/1971, p. 1).

An amendment **takes effect** on the date of entry into force or other date specified in the amendment.

#### **ARTICLE 40 — ACCESSION AND ADDITION OF NEW BENEFICIARIES**

Not applicable

#### **ARTICLE 41 — TRANSFER OF THE AGREEMENT**

Not applicable

#### **ARTICLE 42 — ASSIGNMENTS OF CLAIMS FOR PAYMENT AGAINST THE GRANTING AUTHORITY**

The beneficiary may not assign any of its claims for payment against the granting authority to any third party, except if expressly approved in writing by the granting authority on the basis of a reasoned, written request of the beneficiary.

If the granting authority has not accepted the assignment or if the terms of it are not observed, the assignment will have no effect on it.

In no circumstances will an assignment release the beneficiary from its obligations towards the granting authority.

#### **ARTICLE 43 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES**

##### **43.1 Applicable law**

The Agreement is governed by the applicable EU law, supplemented if necessary by the law of Luxembourg.

Special rules may apply for beneficiaries which are international organisations (if any; see Data Sheet, Point 5).

##### **43.2 Dispute settlement**

If a dispute concerns the interpretation, application or validity of the Agreement, the parties must bring action before the EU General Court — or, on appeal, the EU Court of Justice — under Article 272 of the Treaty on the Functioning of the EU (TFEU).

For non-EU beneficiaries (if any), such disputes must be brought before the courts of Luxembourg, Luxembourg — unless an international agreement provides for the enforceability of EU court judgements.

If a dispute concerns administrative sanctions, offsetting or an enforceable decision under Article 299 TFEU (see Articles 22 and 34), the beneficiaries must bring action before the General Court — or, on appeal, the Court of Justice — under Article 263 TFEU.

For grants where the granting authority is an EU executive agency (see Preamble), actions against offsetting and enforceable decisions must be brought against the European Commission (not against the granting authority; see also Article 22).

## **ARTICLE 44 — ENTRY INTO FORCE**

The Agreement will enter into force on the day of signature by the granting authority or the beneficiary, depending on which is later.

### **SIGNATURES**

For the beneficiary  
Managing Director  
Kimmo Koski

For the EuroHPC Joint Undertaking  
Anders Dam Jensen  
Executive Director

[electronic signature]  
Done in English  
on [electronic time stamp]

[electronic signature]  
Done in English  
on [electronic time stamp]

## **ANNEX 1**

### **DESCRIPTION OF THE ACTION - HOSTING AGREEMENT No 04/2025**

**(Ref. Number Ares(2025)1017167**

**ANNEX 2**

**ESTIMATED BUDGET FOR THE ACTION**

		Eligible <sup>1</sup> costs (per budget category)						EuroHPC contribution			
		Unit Costs						Total costs	Reimbursement rate %	Maximum contribution <sup>2</sup>	Maximum grant amount <sup>3</sup>
		1. Site preparation = $\sum Si$		2. Personnel = $\sum Pi$		3. Operation and Maintenance = $\sum Mi$					
		Form of costs <sup>5</sup>	Unit		Unit		Unit				
	Cost per unit <sup>4</sup>	Total a <sup>7</sup>	Cost per unit <sup>4</sup>	Total b <sup>7</sup>	Cost per unit <sup>4</sup>	Total c <sup>7</sup>	f= a+b+c	g	h	i	
<b>Beneficiary</b>	Number of units (computation hours made available)	966,44		544,07		1 361,88		2 872,38	100%	74 452 213,75	75 452 213,75
<b>Affiliated Entity (if applicable)</b>											
<b>Total number of units (former and new) beneficiaries<sup>8</sup></b>		966,44		544,07		1 361,88		2 872,38	100%	74 452 213,75	75 452 213,75

<sup>1</sup> See Article 6 for the eligibility conditions

<sup>2</sup> This is the theoretical amount of EU contribution that the system calculates automatically (by multiplying all the budgeted costs by the reimbursement rate). This theoretical amount is capped by the 'maximum grant amount' (that the Commission/Agency decided to grant for the action) (see Article 5.1).

<sup>3</sup> The 'maximum grant amount' is the maximum grant amount decided by the EuroHPC JU. It normally corresponds to the requested grant, but may be lower.

<sup>5</sup> See Article 5 for forms of costs.

<sup>6</sup> See Annex 2a 'Additional information on the estimated budget' for the details on the costs per unit.

<sup>7</sup> Total = costs per unit x number of units (computation hours made available).

The estimated operational budget detailed above corresponds to the EuroHPC agreed contribution of up to 50% of the total Cost-of-Ownership (TCO) (as per formula detailed in the annex 2A). Similarly, the LUMI-AI consortium will be contributing up to 50% of the total Cost-of-Ownership (TCO) of the LUMI-AI supercomputer.

**ANNEX 2A****ADDITIONAL INFORMATION ON UNIT COSTS AND CONTRIBUTIONS****Unit Cost Formula applied for providing access to the  
EuroHPC Joint Undertaking AI-optimised supercomputer LUMI AI**

The unit costs shall be calculated by the beneficiary in accordance with the method set out below and shall be used throughout the duration of the action. In duly justified cases, in particular when there are significant variations in the costs for providing access, it can be updated (with the agreement of the EuroHPC Joint Undertaking and in accordance with the method below) through an amendment.

The unit cost (U) is the sum of the *site preparation* costs ( $S_i$ ), *personnel* costs ( $P_i$ ), and the *maintenance and operations* costs ( $M_i$ ) calculated per hour. The calculation will be done according to the following method and subject to checks and audits by the European Commission and the EuroHPC Joint Undertaking:

$$U \text{ [€/h]} = \sum S_i + \sum P_i + \sum M_i$$

whereby:

$$\sum S_i = S_{\text{MOD}} + S_N + S_{\text{IT}} + S_{\text{PS}} + S_{\text{PB}} + S_{\text{PH}} + S_C + S_F + S_{\text{CCTV}} + S_{\text{MON}} + \dots,$$

$$\sum P_i = P_S + P_A + P_F + P_I + \dots,$$

$$\sum M_i = M_E + M_S + M_N + M_D + M_{\text{SW}} + M_{\text{BU}} + M_B + M_{\text{SC}} + M_T + \dots,$$

As a simplification, the total number of hours for the entire duration of the grant,  $N_{\text{tot}}$ , is defined as

$$N_{\text{tot}} = 12 \times 30 \times 24 \text{h} \times \text{years}$$

and the unit cost per hour is calculated as

$$U \text{ [€/h]} = \sum S_i + \sum P_i + \sum M_i = C_{\text{tot}}[\text{€}] / N_{\text{tot}}$$

The eligible operational cost are then obtained by multiplying the number of hours made available to the EuroHPC JU by the unit contribution of an hour.

The total eligible operational costs,  $C_{\text{el}}[\text{€}]$ , are obtained by multiplying the unit cost per hour  $U[\text{€/h}]$  with the number eligible units, calculated as the difference between the total number of units per reporting period  $N_{\text{RP}}$  and the total number of ineligible units  $N_{\text{inel}}$  in the reporting period.

$$\begin{aligned} C_{\text{el}}[\text{€}] &= U \text{ [€/h]} \times (N_{\text{RP}} - N_{\text{inel}}) = C_{\text{RP}}[\text{€}] - U[\text{€/h}] \times N_{\text{inel}} \\ &= C_{\text{RP}}[\text{€}] - C_{\text{inel}}[\text{€}] \end{aligned}$$

This corresponds to the ineligible costs,  $C_{inel}[\text{€}]$ , to be removed from the total declared operational costs in the reporting period  $C_{RP}$ .

The EuroHPC JU contribution  $C_{EuroHPC}[\text{€}]$  is then determined by applying the relevant funding rate  $Q_F$  (i.e. up to 50% corresponding to the EuroHPC contribution to the total Cost-of-Ownership (TCO)) to the total eligible operational costs.

$$C_{EuroHPC}[\text{€}] = C_{el}[\text{€}] \times Q_F[\%]$$

The total access time made available of a system in a given month cannot exceed 720 hours, while the total access time made available by a system in a calendar year cannot exceed 8.640 hours. The methodology set out above presupposes that ‘Access time’ and, consequently, ‘Union’s access time’ as stipulated in Executive Director Decision 07/2025, is equivalent to the operational time of the system (‘availability time’), regardless of usage or possible access by EuroHPC users. Moreover, the Union’s financial contribution is independent of actually incurred units by EuroHPC users and fixed to a maximum funding rate of 50% of the supercomputer’s total operating costs, with the additional up to 50% to be covered by the LUMI-AI consortium.

### 1. Site preparation costs ( $S_i$ )

The table below details the cost breakdown for the site preparation costs.

<b>Site Preparation Costs</b>	Code	Cost per hour [EUR/h]
1.1 Site modification, project management and design	$S_{MOD}$	148,53€
1.2 Network at data centre level	$S_N$	42,44€
1.3 Other IT equipment	$S_{IT}$	0€
1.4 Power supply to the facility and power distribution	$S_{PS}$	382,91€
1.5 Power backup	$S_{PB}$	44,56€
1.6 Waste heat utilisation equipment	$S_H$	0€
1.7 Cooling equipment	$S_C$	305,56€
1.8 Fire detection and extinction	$S_F$	21,22€
1.9 CCTV, security, access control	$S_{CCTV}$	10,61€
1.10 Monitoring, building and facility	$S_{MON}$	10,61€

The site preparation costs incurred in 2025-2027 are distributed over the years of operation of the supercomputer. When relevant, the calculation takes into account the depreciation and the percentage of utilisation of the cost by the EuroHPC Joint Undertaking’s supercomputer.

### 2. Personnel Costs ( $P_i$ )

The table below details the cost breakdown for the personnel costs.

<b>Personnel Costs</b>	Code	Cost per hour [EUR/h]
2.1 Management	$P_S$	65,41€

2.2 Application enablement, user support and training	$P_A$	117,88€
2.3 Facility team	$P_F$	98,07€
2.4 User support	$P_I$	85,93€
2.5 Installation team	$P_I$	12,81€
2.6 Technical support	$P_T$	163,97€
2.7 Indirect costs (7%)	$P_{IC}$	0€

The facility team is estimated to be active during 2027-2033 and the installation team is estimated to be active during 2027-2028.

Their costs will be distributed over the expected lifetime of the supercomputer.

A rate of 7% is accepted on the personnel costs for some Hosting Entities where a full breakdown of costs directly linked to the implementation of the action is not possible.

### 3. Operations and maintenance costs ( $M_i$ )

The table below details the cost breakdown for the operation and maintenance costs.

<b>Operations and Maintenance</b>	Code	Cost per hour [EUR/h]
3.1 Electricity	$M_E$	1065,39€
3.2 Sales of waste heat	$M_S$	0€
3.3 Network Connection	$M_N$	12,54€
3.4 Data centre facility, rent	$M_D$	116,13€
3.5 Scientific software	$M_{SW}$	54,01€
3.6 Back-up storage	$M_{BU}$	0€
3.7 Building maintenance (incl. security and cleaning)	$M_B$	7,72€
3.8 Service contracts of data centre infrastructure	$M_{SC}$	46,29€
3.9 Insurance	$M_I$	59,80€

When relevant, the calculation shall take into account the depreciation and the percentage of utilisation of the cos by the EuroHPC Joint Undertaking's supercomputer.

## **SPECIFIC RULES**

### **CONFIDENTIALITY AND SECURITY (— ARTICLE 13)**

#### **Sensitive information with security recommendation**

Sensitive information with a security recommendation must comply with the additional requirements imposed by the granting authority.

Before starting the action tasks concerned, the beneficiaries must have obtained all approvals or other mandatory documents needed for implementing the task. The documents must be kept on file and be submitted upon request by the coordinator to the granting authority. If they are not in English, they must be submitted together with an English summary.

For requirements restricting disclosure or dissemination, the information must be handled in accordance with the recommendation and may be disclosed or disseminated only after written approval from the granting authority.

#### **EU classified information**

If EU classified information is used or generated by the action, it must be treated in accordance with the security classification guide (SCG) and security aspect letter (SAL) set out in Annex 1 and Decision 2015/444<sup>16</sup> and its implementing rules — until it is declassified.

Deliverables which contain EU classified information must be submitted according to special procedures agreed with the granting authority.

Action tasks involving EU classified information may be subcontracted only with prior explicit written approval from the granting authority and only to entities established in an EU Member State or in a non-EU country with a security of information agreement with the EU (or an administrative arrangement with the Commission).

EU classified information may not be disclosed to any third party (including participants involved in the action implementation) without prior explicit written approval from the granting authority.

### **ETHICS (— ARTICLE 14)**

#### **Ethics**

Actions involving activities raising ethics issues must be carried out in compliance with:

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<sup>16</sup> Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

- ethical principles

and

- applicable EU, international and national law, including the EU Charter of Fundamental Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms and its Supplementary Protocols.

The beneficiary must pay particular attention to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of persons, the right to non-discrimination, the need to ensure protection of the environment and high levels of human health protection.

Before the beginning of an action task raising an ethical issue, the beneficiaries must have obtained all approvals or other mandatory documents needed for implementing the task, notably from any (national or local) ethics committee or other bodies such as data protection authorities.

The documents must be kept on file and be submitted upon request by the coordinator to the granting authority. If they are not in English, they must be submitted together with an English summary, which shows that the documents cover the action tasks in question and includes the conclusions of the committee or authority concerned (if any).

## **COMMUNICATION, DISSEMINATION AND VISIBILITY (— ARTICLE 17)**

### **Communication and dissemination plan**

The beneficiary must provide a detailed communication and dissemination plan, setting out the objectives, key messaging, target audiences, communication channels, social media plan, planned budget and relevant indicators for monitoring and evaluation.

### **Dissemination of results**

The beneficiary must disseminate their results as soon as feasible, in a publicly available format, subject to any restrictions due to the protection of intellectual property, security rules or legitimate interests.

They must upload the public **project results** to the Digital Europe Project Results platform, available through the Funding & Tenders Portal.

In addition, where the call conditions impose additional dissemination obligations, they must also comply with those.

### **Additional communication activities**

The beneficiary must engage in the following additional communication activities:

- **present the project** (including project summary, coordinator contact details, list of participants, European flag and funding statement and special logo and project results) on the beneficiaries' **websites** or **social media accounts**.

## **SPECIFIC RULES FOR CARRYING OUT THE ACTION (— ARTICLE 18)**

### **Implementation in case of restrictions due to security or EU strategic autonomy**

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons, the beneficiaries must ensure that none of the entities that participate as affiliated entities, associated partners, subcontractors or recipients of financial support to third parties are established in countries which are not eligible countries or target countries set out in the call conditions (or are controlled by such countries or entities from such countries) — unless otherwise agreed with the granting authority.

The beneficiary must moreover ensure that any cooperation with entities established in countries which are not eligible countries or target countries set out in the call conditions (or are controlled by such countries or entities from such countries) does not affect the security interests or EU strategic autonomy and avoids potential negative effects over security of supply of inputs critical to the action.

### **Specific rules for PAC Grants for Procurement**

When implementing innovative procurements in PAC Grants for Procurement, the beneficiaries must respect the following conditions:

- avoid any conflict of interest and comply with the principles of transparency, non-discrimination, equal treatment, sound financial management, proportionality and competition rules
- assign the ownership of the intellectual property rights under the contracts to the contractors (unless there are exceptional overriding public interests which are duly justified in Annex 1), with the right of the buyers to access results — on a royalty-free basis — for their own use and to grant (or to require the contractors to grant) non-exclusive licences to third parties to exploit the results for them — under fair and reasonable conditions — without any right to sub-license
- allow for all communications to be made in English (and any additional languages chosen by the beneficiaries)
- ensure that prior information notices, contract notices and contract award notices contain information on the EU funding and a disclaimer that the EU is not participating as contracting authority in the procurement
- allow for the award of multiple procurement contracts within the same procedure (multiple sourcing)
- for procurements involving classified information: apply the security rules set out in Annex 5 mutatis mutandis to the contractors and the background and results of the contracts
- where the call conditions restrict participation or control due to security or EU strategic autonomy reasons: apply the restrictions set out in Annex 5 mutatis mutandis to the contractors and the results under the contracts
- where the call conditions impose a place of performance obligation: ensure that the part of the activities that is subject to the place of performance obligation is performed in the eligible countries or target countries set out in the call conditions
- to ensure reciprocal level of market access: where the WTO Government Procurement

Agreement (GPA) does not apply, ensure that the participation in tendering procedures is open on equal terms to bidders from EU Member States and all countries with which the EU has an agreement in the field of public procurement under the conditions laid down in that agreement, including all Horizon Europe associated countries. Where the WTO GPA applies, ensure that tendering procedures are also open to bidders from states that have ratified this agreement, under the conditions laid down therein.

### **Specific rules for Grants for Financial Support**

When implementing financial support to third parties in Grants for Financial Support, the beneficiaries must respect the following conditions:

- avoid any conflict of interest and comply with the principles of transparency, non-discrimination and sound financial management
- for the selection procedure and criteria:
  - publish open calls widely (including on the Funding & Tenders Portal and the beneficiaries' websites)
  - keep open calls open for at least two months
  - inform recipients of call updates (if any) and the outcome of the call (list of selected projects, amounts and names of selected recipients)

### **Specific rules for JU actions**

JU actions must contribute to the long-term implementation of the JU partnership, including the JU Strategic Research and Innovation Agenda, the JU objectives and the exploitation of research and innovation results.

Moreover, when implementing JU actions, the members and contributing partners of the Joint Undertaking must fulfil their obligations regarding contributions to the Joint Undertaking:

- the description of the action in Annex 1 must include, for beneficiaries, affiliated entities, associated partners or other participants or third parties which are members or contributing partners, the estimated contributions to the action, i.e.:
  - in-kind contributions to operational activities ('IKOP'; if applicable)
  - in-kind contributions to additional activities linked to the action ('IKAA'; if applicable)
  - financial contributions ('FC'; if applicable)
- the contributions must be reported during the implementation of the action in the Portal Continuous Reporting tool
- at the end of the action, the members and contributing partners that have not received funding under the grant must ensure that financial and in-kind contributions of EUR 430 000 or more (see Article 21) are supported by statements of contributions (CS) and certificates on the statements of contributions (CCS) which fulfil the following

conditions:

- be provided by a qualified approved external auditor which is independent and complies with Directive 2006/43/EC (or for public bodies: by a competent independent public officer)
- the verification must be carried out according to the highest professional standards to ensure that the statements of contributions comply with the provisions under the Agreement and the applicable JU Regulation, that the contributions cover activities that are part of the action and that they have not been reimbursed by the grant
- contributions must comply with the following conditions:
  - costs covered by financial contributions cannot be claimed for reimbursement under the JU grant.

The beneficiaries must comply with the additional IPR, dissemination and exploitation obligations set out in the call conditions (Article 16 and Annex 5), in particular:

- for all JU grants: the granting authority right to object to transfers or licensing also applies to results generated by beneficiaries not having received funding under the grant.

In addition to the obligations set out in Article 17, communication and dissemination activities as well as infrastructure, equipment or major results funded under JU actions must moreover display the Joint Undertaking's special logo:



and the following text:

“The project is supported by the EuroHPC Joint Undertaking and its members (including top-up funding by [name of the national funding authority]).”

For EuroHPC JU grants, the beneficiaries must respect the following conditions when implementing actions with national contribution top-ups from Participating States:

- the beneficiaries must ensure visibility of the national contributions (see below)
- the payment deadlines for prefinancing, interim or final payments are automatically suspended if a national funding authority is late with its payments to the Joint Undertaking for the national contribution top-up

- the European Anti-Fraud Office (OLAF), European Public Prosecutor's Office (EPPO), European Court of Auditors (ECA), the National Court of Auditors and other national authorities can exercise their control rights on the project implementation and costs declared, including for the national contribution top-up.

### **Specific rules for blending operations**

When implementing blending operations, the beneficiaries acknowledge and accept that:

- the grant depends on the approved financing from the Implementing Partner and/or public or private investors for the project
- they must inform the granting authority both about the approval for financing and the financial close — within 15 days
- the payment deadline for the first prefinancing is automatically suspended until the granting authority is informed about the approval for financing
- both actions will be managed and monitored in parallel and in close coordination with the Implementing Partner, in particular:
  - all information, data and documents (including the due diligence by the Implementing Partner and the signed agreement) may be exchanged and may be relied on for the management of the other action (if needed)
  - issues in one action may impact the other (e.g. suspension or termination in one action may lead to suspension also of the other action; termination of the grant will normally suspend and exit from further financing and vice versa, etc.)
- the granting authority may disclose confidential information also to the Implementing Partner.