

INCENTIVE SYSTEM FOR COMPANIES

SME INTERNATIONALISATION

TERM OF ACCEPTANCE

Whereas:

a) Pursuant to the provisions of subparagraph c) of paragraph 1 of Article 27 of Decree-Law no. 137/2014, of 12 September, which established the governance model for the European Structural and Investment Funds (ESIF) for the 2014 to 2020 period, designated as Portugal 2020, the decision to approve the project falls within the competence of the Steering Committees of the Competitiveness and Internationalisation Operational Programme and the Lisbon Regional Operational Programme;

b) The acceptance of these decisions occurs upon the signing of this Acceptance Term, in accordance with the provisions of Article 11 of the specific regulation for the competitiveness and internationalisation domain (RECI), adopted by Ordinance no. 57-A/2015, of 27 February, as amended by Ordinance no. 181-B/2015, of 19 June, Rectification Declaration no. 30-B/2015, of 26 June, and Ordinance no. 328-A/2015, of 2 October;

c) The Acceptance Term, duly signed, has the legal nature of a written contract in accordance with the provisions of paragraph 2 of Article 11 of the aforementioned regulation;

d) The Agency for Investment and Foreign Trade of Portugal, E.P.E. (*AICEP*) is the Intermediate Body that monitors the investment execution, under the terms of the delegation of powers carried out by the Steering Committees of the Competitiveness and Internationalisation Operational Programme and the Lisbon Regional Operational Programme, pursuant to Articles 36 and 37 of Decree-Law no. 137/2014, of 12 September;

e) This contractual relationship is established with the Agency for Investment and Foreign Trade of Portugal, E.P.E., under the terms of the delegation of powers carried out by the Steering Committee of the Competitiveness and Internationalisation Operational Programme, and with the Managing Authority of the Lisbon Regional Operational Programme.

Following the application submitted to the Competitiveness and Internationalisation Operational Programme and the Lisbon Regional Operational Programme, supported by the ERDF¹, under the terms of Tender Notice no. 21/SI/2016, this Acceptance Term is entered into with **ASSOCIAÇÃO PORTUGUESA DOS INDUSTRIAIS DE MARMORES GRANITOS E RAMOS AFINS (ASSIMAGRA)**, registered at the Commercial Registry Office of Porto de Mós, under no. 500834938, Corporate Taxpayer no. 500834938, with a capital of 355,825.35 Euros, and head office at RUA LUÍS DE CAMÕES, BAIRRO S. MIGUEL, 2480-338 PORTO DE MÓS, hereinafter referred to as **Promoter**, represented by Telmo Franquelim Silvestre Da Silva, acting as President with powers for the act, and by Luís Manuel Plácido Martins, acting as Vice-President with powers for the act, which shall be governed by the following clauses:

¹ *European Regional Development Fund*

CLAUSE 1
(Subject Matter)

1. The object of this contract is the granting of a financial incentive to be applied in the execution, by the Promoter, of investment project no. 026344 with a total global eligible investment amount of 4,047,624.00 Euros (*four million, forty-seven thousand, six hundred and twenty-four euros*), this value being distributed among the various Funding OPs in accordance with Annex I, under the terms in which it was approved and which is considered an integral part of this contract.
2. The execution period for this investment runs from 2017-01-01 to 2018-12-31.

CLAUSE 2
(Commitment Declarations on Eligibility Criteria)

The Promoter declares that:

- a) It meets the conditions regarding compliance with the eligibility criteria provided for in subparagraph b) of Article 13 of Decree-Law no. 159/2014, of 27 October, as amended by Decree-Law no. 215/2015, of 6 October, relating to the regularised tax and social security status giving consent for online consultation at www.portaldasfinancas.gov.pt, to the Managing Authority of the Competitiveness and Internationalisation Operational Programme (NIPC 600086666), the Managing Authority of the Lisbon Regional Operational Programme (NIPC 600076849), the Agency for Investment and Foreign Trade of Portugal, E.P.E. (NIPC 506320120), and the Agency for Development and Cohesion (ADC) (NIPC 510928374), undertaking to keep said consent active during the project's term;
- b) It has taken notice of and is in a position to comply within the set deadlines with the eligibility criteria for the beneficiary and the project, as well as undertaking to verify that each beneficiary company complies with the fixed eligibility conditions, under penalty of the incentive granting decisions lapsing.

CLAUSE 3
(Conditional Favourable Decision)

1. The decisions to approve the granting of the incentive are subject to the maintenance of funding by the various funding OPs; should one decision be revoked, the project shall be reassessed.
2. The granting of the incentive is subject to the following conditions:
 - a) Payment of the incentive to the Promoter is subject to the presentation of documents proving that the project's financing sources are secured;
3. Approval decisions are subject to the submission of the respective documents via "upload" to the Project Portal (*Balcão do Projeto*).
4. Should the Promoter fail to present the documentation within the period, the approval decisions shall lapse.

**CLAUSE 4
(Incentive)**

1. The total incentive to be granted is distributed by Managing Authority as follows:
 - a) For the Managing Authority of the Competitiveness and Internationalisation Operational Programme, an incentive in the amount of 2,087,642.28 Euros (*two million, eighty-seven thousand, six hundred and forty-two euros and twenty-eight cents*) in the form of:
 - i) Non-reimbursable grant in the amount of 2,087,642.28 Euros.
 - b) For the Managing Authority of the Lisbon Regional Operational Programme, an incentive in the amount of 85,213.13 Euros (*eighty-five thousand, two hundred and thirteen euros and thirteen cents*) in the form of:
 - i) Non-reimbursable grant in the amount of 85,213.13 Euros.
2. The ERDF incentive corresponds to the application of the funding rate, per beneficiary company and Promoter, on the amount of eligible expenses.

**CLAUSE 5
(Result Indicators)**

The results to be achieved are:

- a) Export intensity in the post-project period: 66.03%.

**CLAUSE 6
(Payments)**

1. Incentive payments shall be made by bank transfer to the Promoter's account with IBAN [confidential information].
2. All receipts and payments relating to project execution must be made through the Promoter's bank account.
3. Payment terms shall follow Article 25 of Decree-Law no. 159/2014, as amended.
4. Payment suspension may occur whenever any of the grounds provided for in paragraph 10 of Article 25 of Decree-Law no. 159/2014 occur.

**CLAUSE SEVEN
(Obligations of the Promoter)**

1. The Promoter undertakes to comply with all general obligations set out in Article 24 of Decree-Law no. 159/2014 and Articles 12 and 54 of the RECI.
2. It further undertakes to:

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a) Ensure image coordination and homogeneity in international fairs, namely through the "P Portugal" brand, specifically for the **MARMOMACC 2018** International Fair in Italy;

b) Coordinate in advance with AICEP regarding prospecting and promotion actions (missions, workshops, etc.).

CLAUSE EIGHT (Project Amendments)

1. Amendments must comply with paragraphs 7 and 8 of Article 20 of Decree-Law no. 159/2014.
2. The approved execution period may be amended if duly justified, which may lead to an incentive reduction.

CLAUSE 9 (Monitoring and Control)

1. The Promoter accepts monitoring and control by competent entities to verify project execution and compliance with obligations.
2. The Promoter must provide all documents for administrative and on-site verifications.

CLAUSE 10 (Assignment of Contractual Position)

Assignment of the Promoter's position requires justified reasons and authorisation from both the Competitiveness and Lisbon Managing Authorities.

CLAUSE 11 (Recovery of Incentives)

Unduly received amounts due to breach of obligations or irregularities shall constitute a debt and be recovered under Article 26 of Decree-Law no. 159/2014.

CLAUSE 12 (Reduction of the Incentive)

1. Grounds for reduction include: (subparagraphs a) to f) continued on the next page)
 - a) Partial non-fulfilment of obligations;
 - b) Failure to justify expenditure or ineligible values;
 - c) Expenses unrelated to project execution;
 - d) Non-compliance with information and publicity rules;

- e) Disregard for European and national legislation (e.g., public procurement);
 - f) Failure to account for project revenue.
2. Amendment of the execution period (Clause 8.2) is also grounds for reduction.
 3. Non-application of the reduction may occur in cases of *force majeure* accepted by AICEP.

CLAUSE 13
(Unilateral Termination)

The contract may be unilaterally terminated by AICEP and the Lisbon Managing Authority for the causes mentioned above or situations such as:

- a) Failure to achieve essential objectives;
- b) Failure to fully execute the application;
- c) Amendments jeopardising project merit without authorisation;
- d) Late submission of forms/payment requests;
- e) Unauthorised interruption exceeding 90 working days;
- f) Duplication of expenses;
- g) False statements;
- h) Refusal of control/audit;
- i) Unrectified organisational deficiencies.

CLAUSE 14
(Contract Costs)

1. The Promoter is responsible for all expenses, including tax charges, arising from the contract.
2. The Promoter is liable for extrajudicial expenses incurred by AICEP and the Lisbon Managing Authority.

CLAUSE 15²
(Term of the Contract)

1. This contract enters into force on the date of its submission and when duly signed.
2. The term occurs upon full compliance with all obligations.

² **Note:** For certification purposes and signatures, reference should be made to the original version /Portuguese official document.

ANNEX I

BREAKDOWN MAP OF ELIGIBLE INVESTMENT AND INCENTIVE BY FUNDING OPERATIONAL PROGRAMS (OP)

Funding Operational Programme	Eligible Investment (EUR)	Incentive (EUR)
Operational Program for Competitiveness and Internationalization	3,834,591.16	2,087,642.28
Lisbon Regional Operational Program	213,032.84	85,213.13