

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's incentive grant falls within the competence of the Steering Committees of the Competitiveness and Internationalisation Operational Programme and the Lisbon Regional Operational Programme;

b) The formalisation of these decisions occurs upon the signing and submission 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 subsequent Ordinances and Rectification Declarations up to Ordinance no. 217/2018, of 19 July;

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 RECI in its current wording;

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.

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. 28/SI/2017, this Acceptance Term is entered into with **ASSOCIAÇÃO PORTUGUESA DOS INDUSTRIAIS DE MARMORES GRANITOS E RAMOS AFINS (ASSIMAGRA)**, Corporate Taxpayer no. 500834938, with 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 of the Board 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:

CLAUSE 1
(Subject Matter)

1. The object of this Acceptance Term is the granting of a financial incentive to be applied in the execution, by the Promoter, of investment project no. 038085 with a total global eligible investment amount of 4,429,958.41 Euros (*four million, four hundred and*

¹ *European Regional Development Fund*

twenty-nine thousand, nine hundred and fifty-eight euros and forty-one cents), 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 Acceptance Term.

2. The execution period for this investment runs from 2018-11-01 to 2020-10-31.

CLAUSE 2 **(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. As established in the approval decisions, 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;
 - b) Payment of the incentive is subject to the assessment of the Promoter's framework under the terms defined in Article 2 of the Public Contracts Code (CCP).
3. Approval decisions are subject to the submission of the respective documents via "upload" to the Project Portal (*Balcão do Projeto*), within the deadline established in the preceding paragraph.
4. Should the Promoter fail to present the documentation within the aforementioned period, the approval decisions shall be revoked.

CLAUSE 3 **(Incentive)**

1. The total incentive to be granted, as defined under the terms of the respective approval decisions, 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 2,349,273.54 Euros (two million, three hundred and forty-nine thousand, two hundred and seventy-three euros and fifty-four cents) in the form of:
 - i) Non-reimbursable ERDF grant in the amount of 2,349,273.54 Euros.
 - b) For the Managing Authority of the Lisbon Regional Operational Programme, an incentive in the amount of 47,891.45 Euros (forty-seven thousand, eight hundred and ninety-one euros and forty-five cents) in the form of:
 - i) Non-reimbursable ERDF grant in the amount of 47,891.45 Euros.
2. The ERDF incentive granted corresponds to the application of the funding rate, per beneficiary company and Promoter, on the amount of expenses considered eligible, calculated under the terms of Article 50 of the RECI.

CLAUSE 4
(Result Indicators)

The results to be achieved within the scope of the project are:

- a) Export intensity in the post-project period: 64.61%.

CLAUSE 5
(Payments)

1. Incentive payments shall be made by the paying agency via bank transfer to the Promoter's current account with IBAN [confidential information].
2. All receipts and payments relating to the execution of the co-funded project must be made through the Promoter's bank account.
3. Payment terms shall follow Article 13 of the RECI and 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 6
(Repayable Incentive)

(Not applicable)

CLAUSE 7
(Repayment Exemption)

(Not applicable)

CLAUSE 8
(Obligations of the Promoter)

1. In accordance with Articles 24 and 25 of Decree-Law no. 159/2014 and Articles 12 and 48 of the RECI, the Promoter undertakes to:
 - a) Execute the project under the approved terms and conditions;
 - b) Allow access to project execution sites and to all elements and documents necessary for monitoring and control;
 - c) Preserve project documents (originals or certified copies) for three years from the closure of the OP or as required by specific State Aid legislation;
 - d) Publicise the support in accordance with European and national legislation and the communication rules guide, specifically the Project Factsheet;
 - e) Maintain the legal conditions necessary for the exercise of the activity;

- f) Repay unduly received amounts and comply with administrative sanctions;
- g) Maintain a regularised tax and social security status;
- h) Have an organised accounting system as legally required;
- i) Maintain a project file, preferably digital, with all related documentation duly organised;
- j) Respect principles of transparency, competition, and sound management of public funds to prevent conflicts of interest;
- k) Provide requested elements to competent monitoring, evaluation, control, and audit entities;
- l) Communicate relevant changes or occurrences that jeopardise project approval assumptions;
- m) Not reassign, lease, alienate, or encumber goods and services acquired under the project without prior authorisation from the Managing Authority;
- n) Maintain a regularised status before the incentive paying agency;
- o) Comply with public procurement regulations when applicable;
- p) Notify the Managing Authority in advance of any change in bank account;
- q) Verify that each beneficiary company meets the eligibility criteria;
- r) Comply with the following specific obligations:
 - i) Image coordination in external promotion and prior coordination with AICEP regarding mission programming;
 - ii) Eligibility of consultancy/software subject to market condition verification;
 - iii) Ensure image coordination and homogeneity in international fairs through the "**P Portugal**" brand, specifically for **MARMOMAC 2019/2020** (Italy), **Natural Stone Show 2019** (UK), and **Stone + Tech 2020** (Germany).

Note: Overlaps with ANIET and AEP actions in common markets (USA, UK, Italy, Germany) are noted, specifically the Middle East Stone 2019/2020 fair.

2. Upon signing this term, the members of the governing and management bodies shall be subsidiarily liable for the fulfillment of the obligations in this Clause.

CLAUSE 9 (Project Amendments)

1. Amendments to the project 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, leading to an incentive reduction as per Clause Thirteen.

CLAUSE 10
(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, including access to project sites.

CLAUSE 11
(Assignment of Contractual Position)

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

CLAUSE 12
(Recovery of Incentives)

1. Unduly received amounts due to breach of legal or contractual obligations or irregularities shall constitute a debt and be recovered under Article 26 of Decree-Law no. 159/2014.
2. Joint and several liability for repayment lies with the members of the governing and management bodies in office at the time of the facts.

CLAUSE 13
(Reduction of the Incentive)

1. Under Article 15 of the RECI, the incentive may be reduced based on:
 - a) Partial non-fulfilment of obligations, including contracted results;
 - b) Failure to justify expenditure or ineligible values;
 - c) Expenses unrelated to project execution or not properly invoiced/recorded;
 - 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 9.2) is also grounds for reduction.
3. Non-application of the reduction may occur if authorised by AICEP or the Managing Authorities due to *force majeure* causing unrecoverable delays.

CLAUSE 14
(Unilateral Termination)

1. The Acceptance Term, which assumes the nature of a contract, may be terminated by the Managing Authorities for the causes mentioned above or situations such as:
 - a) Failure to achieve essential objectives;
 - b) Failure to fully execute the application;
 - c) Unauthorised amendments jeopardising project merit or financial reasonableness;
 - d) Late submission of forms/payment requests;
 - e) Unauthorised interruption exceeding 90 working days;
 - f) Duplication of expenses;
 - g) False statements regarding implementation or costs;
 - h) Refusal of control/audit;
 - i) Unrectified organisational deficiencies.
 - j) Loss of any incentive grant requirement.

2. Failure to commence project execution within six months of the funding decision is also grounds for termination.

CLAUSE 15
(Contract Costs)

1. The Promoter is responsible for all expenses and tax charges arising from this Acceptance Term.
2. The Promoter is liable for extrajudicial expenses incurred by AICEP or the Managing Authorities arising from the enforcement of this term.

CLAUSE 16²
(Term of the Contract)

1. This Acceptance Term enters into force on the date of its submission and when duly signed.
2. The term occurs upon full compliance with all positive and negative obligations emerging therefrom.

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)
Competitiveness and Internationalisation OP	4,310,229.80	2,349,273.54
Lisbon Regional OP	119,728.61	47,891.45