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GENERAL CONDITIONS OF THE CONTRACT*

ARTICLE 1 – PERFORMANCE OF THE CONTRACT

- 1.1. The Contractor shall perform the Contract to the highest professional standards. The Contractor shall have sole responsibility for complying with any legal obligations incumbent on him, notably those resulting from employment, tax and social legislation.
- 1.2. The Contractor shall have sole responsibility for taking the necessary steps to obtain any permit or licence required for performance of the Contract under the laws and regulations in force at the place where the tasks assigned to him are to be executed.
- 1.3. Without prejudice to Article 3 any reference made to the Contractor's staff in the Contract shall relate exclusively to individuals involved in the performance of the Contract.
- 1.4. The Contractor must ensure that any staff performing the Contract have the professional qualifications and experience required for the execution of the tasks assigned to him.
- 1.5. The Contractor shall neither represent Fusion for Energy nor behave in any way that would give such an impression. The Contractor shall inform third parties that he does not belong to the European public service.
- 1.6. The Contractor shall have sole responsibility for the staff who execute the tasks assigned to him. The Contractor shall make provision for the following employment or service relationships with his staff:
 - staff executing the tasks assigned to the Contractor may not be given orders direct by Fusion for Energy;
 - Fusion for Energy may not under any circumstances be considered to be the staff's employer and the said staff shall undertake not to invoke in respect of Fusion for Energy any right arising from the contractual relationship between Fusion for Energy and the Contractor.
- 1.7. In the event of disruption resulting from the action of a member of the Contractor's staff working on Fusion for Energy premises or in the event of the expertise of a member of the Contractor's staff failing to correspond to the profile required by the Contract, the Contractor shall replace him without delay. Fusion for Energy shall have the right to request the replacement of any such member of staff, stating its reasons for so doing. Replacement staff must have the necessary qualifications and be capable of performing the

* [Applicable in particular to contracts for the purchase of low-value services and supplies \(threshold set in Article 129\(2\) of the Rules implementing the Financial Regulation\).](#)

Contract under the same contractual conditions. The Contractor shall be responsible for any delay in the execution of the tasks assigned to him resulting from the replacement of staff in accordance with this Article.

- 1.8. Should any unforeseen event, action or omission directly or indirectly hamper execution of the tasks, either partially or totally, the Contractor shall immediately and on his own initiative record it and report it to Fusion for Energy. The report shall include a description of the problem and an indication of the date on which it started and of the remedial action taken by the Contractor to ensure full compliance with his obligations under the Contract. In such event the Contractor shall give priority to solving the problem rather than determining liability.
- 1.9. Should the Contractor fail to perform his obligations under the Contract in accordance with the provisions laid down therein, Fusion for Energy may - without prejudice to its right to terminate the Contract - reduce or recover payments in proportion to the scale of the failure. In addition, Fusion for Energy may impose penalties or liquidated damages provided for in Article 15.

ARTICLE 2 - LIABILITY

- 2.1. Fusion for Energy shall not be liable for damage sustained by the Contractor in performance of the Contract except in the event of wilful misconduct or gross negligence on the part of Fusion for Energy.
- 2.2. The Contractor shall be liable for any loss or damage caused by himself in performance of the Contract, including in the event of subcontracting under Article 12. Fusion for Energy shall not be liable for any act or default on the part of the Contractor in performance of the Contract.

ARTICLE 3 - CONFLICTS OF INTEREST

- 3.1. The Contractor shall take all necessary measures to prevent any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interest could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interest which could arise during performance of the Contract must be notified to Fusion for Energy in writing without delay. In the event of such conflict, the Contractor shall immediately take all necessary steps to resolve it.

Fusion for Energy reserves the right to verify that such measures are adequate and may require additional measures to be taken, if necessary, within a time limit which it shall set. The Contractor shall ensure that his staff, board and directors are not placed in a situation which could give rise to conflicts of interest. Without prejudice to Article 1 the Contractor shall replace,

immediately and without compensation from Fusion for Energy, any member of his staff exposed to such a situation.

- 3.2. The Contractor shall abstain from any contact likely to compromise his independence.
- 3.3. The Contractor declares:
- that he has not made and will not make any offer of any type whatsoever from which an advantage can be derived under the Contract,
 - that he has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept, any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to performance of the Contract.

ARTICLE 4 – REQUEST FOR PAYMENT

Within sixty days of completion of the tasks referred to in the purchase order, the Contractor shall submit to Fusion for Energy an invoice quoting the reference number of the Contract to which it relates.

ARTICLE 5 – PROVISIONS CONCERNING PAYMENTS

- 5.1. Payments shall be deemed to have been made on the date on which Fusion for Energy's account is debited.
- 5.2. The payment period stipulated in the purchase order may be suspended by Fusion for Energy at any time if it informs the Contractor that his payment request is not admissible, either because the amount is not due or because the necessary supporting documents have not been properly produced.

Fusion for Energy shall notify the Contractor accordingly and set out the reasons for the suspension by registered letter with acknowledgment of receipt or equivalent. Suspension shall take effect from the date of dispatch of the letter. The remainder of the period shall begin to run again once the suspension has been lifted.

- 5.3. The Contractor may claim interest within two months of receiving the payment. Interest shall be calculated at the rate applied by the European Central Bank to its most recent main refinancing operations (*“the reference rate”*) plus seven percentage points (*“the margin”*). The reference rate in force on the first day of the month in which the payment is due shall apply. Such interest rate is published in the C series of the Official Journal of the European Union. Interest shall be payable for the period elapsing from the

calendar day following expiry of the time limit for payment up to the day of payment. Suspension of payment by Fusion for Energy may not be deemed to constitute late payment.

ARTICLE 6 - RECOVERY

- 6.1. If total payments made exceed the amount actually due under the Contract or if recovery is justified in accordance with the terms of the Contract, the Contractor shall reimburse the appropriate amount in euro on receipt of the debit note, in the manner and within the time limits set by Fusion for Energy.
- 6.2. In the event of failure to pay by the deadline specified in the request for reimbursement, the sum due shall bear interest at the rate indicated in Article 5.3. Interest shall be payable from the calendar day following the due date up to the calendar day on which the debt is repaid in full.
- 6.3. Fusion for Energy may, after informing the Contractor, recover amounts established as certain, of a fixed amount and due by offsetting, in cases where the Contractor also has a claim on the Union that is certain, of a fixed amount and due.

ARTICLE 7 – OWNERSHIP OF THE RESULTS – INTELLECTUAL AND INDUSTRIAL PROPERTY

Any results or rights thereon, including copyright and other intellectual or industrial property rights, obtained in performance of the Contract, shall be owned solely by the Union, which may use, publish, assign or transfer them as it sees fit, without geographical or other limitation, except where industrial or intellectual property rights exist prior to the Contract being entered into.

ARTICLE 8 - CONFIDENTIALITY

The Contractor undertakes to treat in the strictest confidence and not make use of or divulge to third parties any information or documents which are linked to performance of the Contract. The Contractor shall continue to be bound by this undertaking after completion of the tasks.

ARTICLE 9 - USE, DISTRIBUTION AND PUBLICATION OF INFORMATION

- 9.1. The Contractor shall authorise Fusion for Energy to process, use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, any data contained in or relating to the Contract, in particular the identity of the Contractor, the subject matter, the duration, and the amount paid. *[Where personal data is concerned, Article 20 shall apply.]*

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- 9.2.** Unless otherwise provided, Fusion for Energy shall not be required to distribute or publish documents or information supplied in performance of the Contract. If it decides not to publish the documents or information supplied, the Contractor may not have them distributed or published elsewhere without prior written authorisation from Fusion for Energy.
- 9.3.** Any distribution or publication of information relating to the Contract by the Contractor shall require prior written authorisation from Fusion for Energy and shall mention the amount paid by the Union. It shall state that the opinions expressed are those of the Contractor only and do not represent Fusion for Energy 's official position.
- 9.4.** The use of information obtained by the Contractor in the course of the Contract for purposes other than its performance shall be forbidden, unless Fusion for Energy has specifically given prior written authorisation to the contrary.

ARTICLE 10 - TAXATION

- 10.1.** The Contractor shall have sole responsibility for compliance with the tax laws which apply to him. Failure to comply shall make the relevant invoices invalid.
- 10.2.** The Contractor recognises that Fusion for Energy is, as a rule, exempt from all taxes and duties, including value added tax (VAT), pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Union, unless other ways provided for in the Purchase Order.
- 10.3.** The Contractor shall accordingly complete the necessary formalities with the relevant authorities to ensure that the goods and services required for performance of the Contract are exempt from taxes and duties, including VAT.
- 10.4.** Invoices presented by the Contractor shall indicate his place of taxation for VAT purposes and shall specify separately the amounts not including VAT and the amounts including VAT.

ARTICLE 11 - FORCE MAJEURE

- 11.1.** Force majeure shall mean any unforeseeable and exceptional situation or event beyond the control of the contracting parties which prevents either of them from performing any of their obligations under the Contract, was not due to error or negligence on their part or on the part of a subcontractor, and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making it available, labour disputes,

strikes or financial problems cannot be invoked as force majeure unless they stem directly from a relevant case of force majeure.

- 11.2. Without prejudice to Article 1.8, if either contracting party is faced with force majeure, it shall notify the other party without delay by registered letter with acknowledgment of receipt or equivalent, stating the nature, likely duration and foreseeable effects.
- 11.3. Neither contracting party shall be held in breach of its contractual obligations if it has been prevented from performing them by force majeure. Where the Contractor is unable to perform his contractual obligations owing to force majeure, he shall have the right to remuneration only for tasks actually executed.
- 11.4. The contracting parties shall take the necessary measures to reduce damage to a minimum.

ARTICLE 12 - SUBCONTRACTING

- 12.1. The Contractor shall not subcontract without prior written authorisation from Fusion for Energy nor cause the Contract to be performed in fact by third parties.
- 12.2. Even where Fusion for Energy authorises the Contractor to subcontract to third parties, he shall none the less remain bound by his obligations to Fusion for Energy under the Contract and shall bear exclusive liability for proper performance of the Contract.
- 12.3. The Contractor shall make sure that the subcontract does not affect rights and guarantees to which Fusion for Energy is entitled by virtue of the Contract.

ARTICLE 13 - ASSIGNMENT

- 13.1. The Contractor shall not assign the rights and obligations arising from the Contract, in whole or in part, without prior written authorisation from Fusion for Energy.
- 13.2. In the absence of such authorisation, or in the event of failure to observe the terms thereof, assignment by the Contractor shall not be enforceable against and shall have no effect on Fusion for Energy.

ARTICLE 14 - TERMINATION

- 14.1. Fusion for Energy may terminate the Contract in the following circumstances:

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- (a) where the Contractor is being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - (b) where the Contractor has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which he is established or with those of the country applicable to the Contract or those of the country where the Contract is to be performed;
 - (c) where the Commission has evidence or seriously suspects the Contractor or any related entity or person, of professional misconduct;
 - (d) where Fusion for Energy has evidence or seriously suspects the Contractor or any related entity or person, of fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Union's financial interests;
 - (e) where Fusion for Energy has evidence or seriously suspects the Contractor or any related entity or person, of substantial errors, irregularities or fraud in the award procedure or the performance of the Contract;
 - (f) where the Contractor is in breach of his obligations under Article 3;
 - (g) where the Contractor was guilty of misrepresentation in supplying the information required by Fusion for Energy as a condition of participation in the Contract procedure or failed to supply this information;
 - (h) where a change in the Contractor's legal, financial, technical or organisational situation could, in Fusion for Energy's opinion, have a significant effect on the performance of the Contract;
 - (i) where execution of the tasks has not actually commenced within the delivery or performance period set in the purchase order, and the new date proposed, if any, is considered unacceptable by Fusion for Energy;
 - (j) where the Contractor is unable, through his own fault, to obtain any permit or licence required for performance of the Contract;
 - (k) where the Contractor, after receiving formal notice in writing to comply, specifying the nature of the alleged failure, and after being given the opportunity to remedy the failure within a reasonable period following receipt of the formal notice, remains in serious breach of his contractual obligations.
- 14.2.** In case of force majeure, notified in accordance with Article 11, either contracting party may terminate the Contract, where performance thereof

cannot be ensured for a period corresponding to at least to one fifth of the period laid down in the purchase order.

- 14.3.** Prior to termination under point c), d), e), h) or k), the Contractor shall be given the opportunity to submit his observations.

Termination shall take effect on the date on which a registered letter with acknowledgment of receipt terminating the Contract is received by the Contractor, or on any other date indicated in the letter of termination.

- 14.4.** Consequences of termination:

In the event of Fusion for Energy terminating the Contract in accordance with this Article and without prejudice to any other measures provided for in the Contract, the Contractor shall waive any claim for consequential damages, including any loss of anticipated profits for uncompleted work. On receipt of the letter terminating the Contract, the Contractor shall take all appropriate measures to minimise costs, prevent damage, and cancel or reduce his commitments. He shall draw up the documents required for the tasks executed up to the date on which termination takes effect, within a period not exceeding sixty days from that date.

Fusion for Energy may claim compensation for any damage suffered and recover any sums paid to the Contractor under the Contract.

On termination Fusion for Energy may engage any other contractor to complete the services. Fusion for Energy shall be entitled to claim from the Contractor all extra costs incurred in making good and completing the services, without prejudice to any other rights or guarantees it has under the Contract.

ARTICLE 14A – SUBSTANTIAL ERRORS, IRREGULARITIES AND FRAUD ATTRIBUTABLE TO THE CONTRACTOR

Where, after the award of the Contract, the award procedure or the performance of the Contract prove to have been subject to substantial errors, irregularities or fraud, and where such errors, irregularities or fraud are attributable to the Contractor, Fusion for Energy may refuse to make payments, may recover amounts already paid or may terminate all the contracts concluded with the Contractor, in proportion to the seriousness of the errors, irregularities or fraud.

ARTICLE 15 – LIQUIDATED DAMAGES

Should the Contractor fail to perform his obligations under the Contract within the time limits set by the Contract, then, without prejudice to the Contractor's actual or

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potential liability incurred in relation to the Contract or to Fusion for Energy's right to terminate the Contract, Fusion for Energy may decide to impose liquidated damages of 0.2%¹ of the amount specified in the purchase order per calendar day of delay. The Contractor may submit arguments against this decision within thirty days of notification by registered letter with acknowledgement of receipt or equivalent. In the absence of reaction on his part or of written withdrawal by Fusion for Energy within thirty days of the receipt of such arguments, the decision imposing the liquidated damages shall become enforceable. These liquidated damages shall not be imposed where there is provision for interest for late completion. Fusion for Energy and the Contractor expressly acknowledge and agree that any sums payable under this Article are in the nature of liquidated damages and not penalties, and represent a reasonable estimate of fair compensation for the losses that may be reasonably anticipated from such failure to perform obligations.

ARTICLE 16 - CHECKS AND AUDITS

Pursuant to Article 142 of the Financial Regulation applicable to the general budget of the European Communities, the Court of Auditors shall be empowered to audit the documents held by the natural or legal persons receiving payments from the budget of the Union from signature of the Contract up to five years after payment of the balance.

ARTICLE 17 - AMENDMENTS

Any amendment to the Contract shall be the subject of a written agreement concluded by the contracting parties. An oral agreement shall not be binding on the contracting parties.

ARTICLE 18 - SUSPENSION OF THE CONTRACT

Without prejudice to Fusion for Energy's right to terminate the Contract, Fusion for Energy may at any time and for any reason suspend execution of the tasks under the Contract or any part thereof. Suspension shall take effect on the day the Contractor receives notification by registered letter with acknowledgment of receipt or equivalent, or at a later date where the notification so provides. Fusion for Energy may at any time following suspension give notice to the Contractor to resume the work suspended. The Contractor shall not be entitled to claim compensation on account of suspension of the Contract or of part thereof.

ARTICLE 19 - STRUCTURE OF THE CONTRACT

The Contract consists of a purchase order and these General Conditions. In the event of conflicting interpretations, the purchase order shall take precedence over the

¹ The daily rate for liquidated damages may be modified in the purchase order where the subject of the contract so justifies.

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General Conditions. If the specification and the Contractor's quote are annexed to the purchase order, the specification shall take precedence over the quote and the Contract shall take precedence over both. The several instruments shall be an integral part of the Contract and, subject to the above, they shall be taken as mutually explanatory.

ARTICLE 20 - DATA PROTECTION

Any personal data included in the Contract, including its execution, or relating to the Contract or the implementation thereof shall be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. It shall be processed solely for the purposes of the performance, management and follow up of the Contract by [entity acting as data controller] without prejudice to possible transmission to internal audit services, to the Court of Auditors, to the Financial Irregularities Panel and/or to the European Anti-Fraud Office (OLAF) for the purposes of safeguarding the financial interests of the Union. The Contractor shall have the right of access to his personal data and the right to rectify any such data that is inaccurate or incomplete. Should the Contractor have any queries concerning the processing of his personal data, he shall address them to [entity acting as data controller]. The Contractor shall have right of recourse at any time to the European Data Protection Supervisor.