



# BLOCK START

## D2.11: Open Call Documentation

12/2019



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<b>Abstract:</b>	This deliverable comprises all the information needed by SMEs to submit applications to the first BlockStart open call and for the European Commission to validate the Open Call and publish the announcement in the Funding & Tenders Portal. It contains 9 annexes.

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<b>PP</b>	Restricted to other programme participants (including the EC Services)	
<b>RE</b>	Restricted to a group specified by the consortium (including the EC Services)	
<b>CO</b>	Confidential, only for members of the consortium (including the EC)	

BlockStart Consortium			
Participant Number	Participant Organisation Name	Short Name	Country
1	Bright Development Studio, S.A.	BRPX	PT
2	UAB CIVITTA	CIVT	LT
3	F6S Network Limited	F6S	UK

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# 1 Executive Summary

This document aggregates all relevant documentation for BlockStart Open Calls, either from the perspective of the members of the consortium as well as from the perspective of applicants/ potential third-parties.

## 2 Introduction

The purpose of this document is to compile all the documents that formalize the third-party financing rules for BlockStart Open Call.

Some of the documents represented here may be adapted (based on to the project's results and lessons learned along the program) or transformed in a prospect/ flyer to be disseminated towards applicants.

### 3 List of Open Call documents for Third-parties

For the purpose of publishing the open call according to the EC regulations and taking into consideration the best practices, the following documents have been prepared.

- **Annex 1 - Open Call Text**

This document summarises the main characteristics of the open call for proposals under the BlockStart project. Further information is available in the “Guideline for Applicants” and “Sub-grantee Contract template” documents (and their annexes).

- **Annex 2 - Guidelines for Applicants**

Detailed guidelines are given here, together with the background information on the BlockStart Partnership Program.

- **Annex 3 - Application Form**

Application form available at [www.f6s.com/blockstart](http://www.f6s.com/blockstart), with questions that need to be addressed by applicants.

- **Annex 3.1 - Proposal Supplement**

Document with additional information about the proposal, in particular the budget description and justification.

- **Annex 4 - Declaration of Honor**

This document is to prove that all conditions of the Open Call are accepted by an SME legal representative.

- **Annex 5 - SME Declaration**

This document is an administrative form in which, SMEs participating in the BlockStart Partnership program confirm their definition as SME according to EU standards.

- **Annex 6 - Bank Account Information**

Collects information on the applicant(s)’ bank account where the BlockStart payments will be sent to.

- **Annex 7 - Sub-grant Agreement Template**

This document defines the framework of rights and obligations of the Contracting Parties (under their respective sub-project) and the BlockStart project (represented by its coordinator – BRPX.)

- **Annex 8 - Template for H2020 Financial Support to Third Parties**

This Annex contains the formal announcement to be published in the EU portal.

## 4 List of Open Call documents for Experts

For the purpose of engagement with experts we will require these to sign:

- Confidentiality and conflict of interest declaration



## 5 Conclusion

The existing set of documents will enable to provide all required information for BlockStart applicants and managed internal procedures.

It may happen that respective documents need to be updated along the project and based on lessons learned.

## 6 Annex 1 - Open Call Text

### 1. Background and Introduction

BlockStart is a European partnership program looking for startups and SMEs – from all over the EU and H2020 associated countries – working with blockchain and other DLTs. The main objective of BlockStart is to facilitate goal-oriented, business-focused, and mutually beneficial partnerships between DLT/blockchain solution providers and end-users SMEs.

To this end, BlockStart is launching its first out of three Open Calls for applications, with the focus being on the following sectors: fintech, ICT and retail. A total of €265.000 will be allocated for the direct benefit of these SMEs (both providers and end-users) through this Open Call.

BlockStart is a 3-stage intensive mentor-led program. It starts with the Ideation Kick-off, after which the most successful blockchain/DLT solution providers are admitted to a 4 months Prototype phase aimed at supporting the product/market fit. Finally, during the Pilot phase (2 months), startups/SMEs working with blockchain and other DLTs will have a unique opportunity to validate their solutions, pilot their innovations with end-users and work toward product/market fit.

The maximum amount of funding that each DLT developer may receive is €20.000; while an SME adopter may receive €4.500.

The submission for the Open Call #1 opens on the 16th of December 2019 and closes on the 10th of February 2020 at 17:00 CET (Brussels time).

BlockStart program is run by a team of 3 partners, Bright Pixel, CIVITTA and F6S, and is funded by the EU H2020 programme for Research and Innovation under Grant Agreement 828853.

### 2. Who is this program for?

The accepted applicants for BlockStart Open Call #1 have to be innovators or technological startups/SMEs developing a use-case for an end-user SME based on blockchain and other DLTs. Applicants must fulfil the following criteria:

- registered as a company that complies with the Commission Recommendation for Small and Medium-sized Enterprises (SMEs) 2003/361/EC\*;
- located in [EU and H2020 associated countries](#);
- able to develop solutions to the following sectors: fintech, ICT and retail.

**\*Important notice:** When there is not a constituted SME, the applicants could be an individual or a group legally established in a H2020 eligible country, with a written commitment to set up a legal SME if selected to the “Ideation Kick-off” phase.

### 3. What can you get from us?

BlockStart is a 3-stage intensive mentor led programme that provides blockchain/DLT solution providers with the best resources to create and grow their businesses, wherever they are in the EU or associated countries.

Startups/SMEs accepted into BlockStart will have access to a variety of perks, including:

- equity-free funding (up to €20.000 for blockchain/ DLT solution providers; up to €4.500 for SME adopters);
- piloting opportunities to help developers explore new value streams for market ready blockchain-tech;
- support from BlockStart team and network of fellow participants, intermediaries and advisors;
- Individualized coaching/mentorship from Bright Pixel, CIVITTA and F6S teams;
- Networking with industry leaders, technology pitching and showcase opportunities at blockchain events and industry conferences.

### 4. How is the program structured?

In accordance with a “Company Builder” approach, BlockStart will run a “partnership” programme – Engage>Prototype>Pilot – for developers to find a product/market fit.

BlockStart is specifically designed for all companies that intend to scale and develop DLT/blockchain solutions for the sectors selected for Open Call #1: fintech, ICT and retail.

One of the main goals of the programme is to connect DLT/blockchain startups with pioneering SME adopters that, after having accompanied the process during the Prototype phase, will be more ready to test these solutions in live conditions in the Pilot phase. Funding is granted to both SMEs and DLT developers for business development, technological adaptation and cross-border collaboration. The figure below shows the overall scheme of the process:

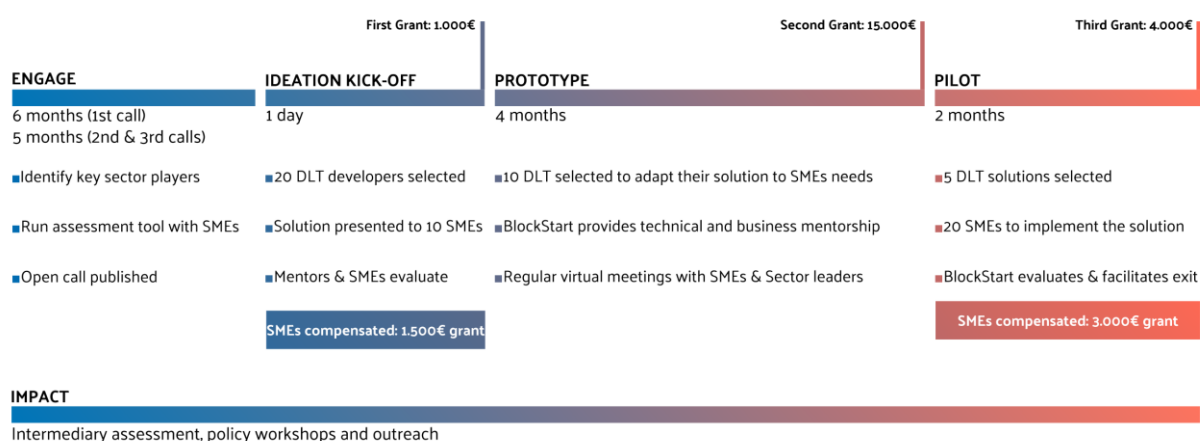


Figure 1 - BlockStart Partnership Program - overview

Each stage comprises a set of activities that qualify for financial support. All the funds disbursed will be based on concrete results and not administrative justifications.

## 5. Who are we?

The BlockStart Consortium is run by a team of 3 partners:

### **Bright Pixel**

Bright Pixel ([www.brpx.com](http://www.brpx.com)) was founded in April 2016 with the goal of investing in technology-based projects. It is a venture builder studio and an early-stage investment vehicle, with two interlinked areas of activity:

- An experienced team of developers, designers, product and business developers, dedicated to supporting early-stage technology-based projects.
- A team dedicated to the investment in startups, with several means through which it supports and invests in early-stage technology projects. Among them, an €8 million fund, recently launched to invest in startups with operations based in Portugal.

### **CIVITTA**

CIVITTA ([www.civitta.com](http://www.civitta.com)) is a leading independent management consultancy in Emerging Europe. With over 300 consultants and experts across 23 offices in 15 countries (Estonia, Latvia, Lithuania, Poland, Finland, Belarus, Russia, Ukraine, Moldova, Serbia, Romania, Slovakia, Bulgaria, North Macedonia and the UK), covers a wide range of services, including management consulting, grants and project management, market research and customer data analytics, entrepreneurship support and startups, public policy and development. Its flexible approach and international mindset have ensured successful cooperation with clients in 40+ countries, resulting in 10.000+ completed projects.

### **F6S**

F6S Network Limited ([www.f6s.com](http://www.f6s.com)) is a European SME that is the largest social network for startups in the world. With over 3.000.000 profiles for the startup community and more than 1.100.000 tech-startups, it currently supports the majority of the startup ecosystem through deal flow/applications, jobs listings, free services, communication forms, technology transfer infrastructure and other areas. As a leading platform for application management for commercial, corporate, government, university and other accelerator programs, F6S helps more than 17.000 such initiatives worldwide. Every year F6S processes more than 700.000 applications and delivers about EUR 2 billion to startups/SMEs.

## 6. Application form and support to applicants

For the application form and detailed guidance for applicants, please download the files available at the [www.blockstart.eu](http://www.blockstart.eu) website. The BlockStart consortium will organise webinars and be present at events from November 2019 until February 2020, to connect with interested applicants. Please check BlockStart F6S page & follow our social accounts if you want to stay tuned with this program.

The BlockStart consortium will provide information to the applicants only via [www.f6s.com/blockstart](http://www.f6s.com/blockstart), so that all information (questions and answers) will be accessible to all potential applicants.

No binding information will be provided via any other means (e.g. telephone or email).

More info at: [www.blockstart.eu/open-calls](http://www.blockstart.eu/open-calls)

Apply via: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

FAQ: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

Online Q&A: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

Support team: [hello@blockstart.eu](mailto:hello@blockstart.eu)

Personal Data Protection Policy available at: [www.blockstart.eu/data-protection/](http://www.blockstart.eu/data-protection/)

## 7. Support material

- **Annex 1: Open Call Text**, this document.
- **Annex 2: Guidelines for Applicants**, which sets out the guidelines for participation in the first open call for proposals of the BlockStart Partnership Program.
- **Annex 3: Application Form**, application form available at [www.f6s.com/blockstart](http://www.f6s.com/blockstart), with questions that need to be addressed by applicants.
- **Annex 3.1: Proposal Supplement**, a document providing information on proposal schedule, timing, Ethical & Security details.
- **Annex 4: Declaration of Honour**, which declares that all conditions of the Open Call are accepted by an SME legal representative.
- **Annex 5: SME Declaration**, which evaluates the status of the SMEs participating at an open call.
- **Annex 6: Bank Account Information**, which collects information on the applicant's bank account where the BlockStart payments will be transferred to.
- **Annex 7: Sub-grant Agreement Template**, which provides a template of the sub-grant agreement that the successful applicants will be requested to sign.
- **Annex 8: Template for H2020 Financial Support to Third Parties**, which contains the formal announcement to be published in the EU portal.

## 7 Annex 2 - Guidelines for Applicants

### 1. Introduction

This document provides a full set of information regarding the Open Call for Proposals for the BlockStart project. The Sub-grant Agreement Template (Annex 7) must be additionally considered for the submission of a Proposal.

BlockStart will organize three open calls to attract, select and fund the best of the best SMEs to generate blockchain-based products, processes and business models with strong market potential in the sectors of fintech, ICT and retail.

### 2. Background information on BlockStart project

BlockStart is a European partnership program looking for startups and SMEs – from all over the EU and H2020 associated countries – working with blockchain and other DLTs. The main objective of BlockStart is to facilitate goal-oriented, business-focused, and mutually beneficial partnerships between DLT/blockchain solution providers and end-users SMEs.

To this end, BlockStart is launching its first out of three Open Calls for applications, with the focus being on the following sectors: fintech, ICT and retail. A total of €265.000 will be allocated for the direct benefit of these SMEs (both providers and end-users) through this Open Call.

BlockStart is a 3-stage intensive mentor-led program. It starts with the Ideation Kick-off, after which the most successful blockchain/DLT solution providers are admitted to a 4 months Prototype phase aimed at supporting the product/market fit. Finally, during the Pilot phase (2 months), startups/SMEs working with blockchain and other DLTs will have a unique opportunity to validate their solutions, pilot their innovations with end-users and work toward product/market fit.

The maximum amount of funding that each DLT developer may receive is €20.000; while an SME adopter may receive €4.500.

The submission for the Open Call #1 opens on the 16th of December 2019 and closes on the 10th of February 2020 at 17:00 CET (Brussels time).

BlockStart program is run by a team of 3 partners, Bright Pixel, CIVITTA and F6S, and is funded by the EU H2020 programme for Research and Innovation under Grant Agreement 828853.

### 3. BlockStart approach

BlockStart will have 3 Open Calls. These Open Calls will be focused on one or more related sectors. Selected applicants to each call will constitute a batch that will target a particular theme. Each batch will go through a 6 months program that will start with a match between SMEs with DLT solution providers, followed by a prototype stage where the DLT solution providers will adapt their DLT solution to the needs of the SME, ending on a real life pilot of the product ensuring product market fit.

The diagram below provides a more detailed look into the key steps of the process:

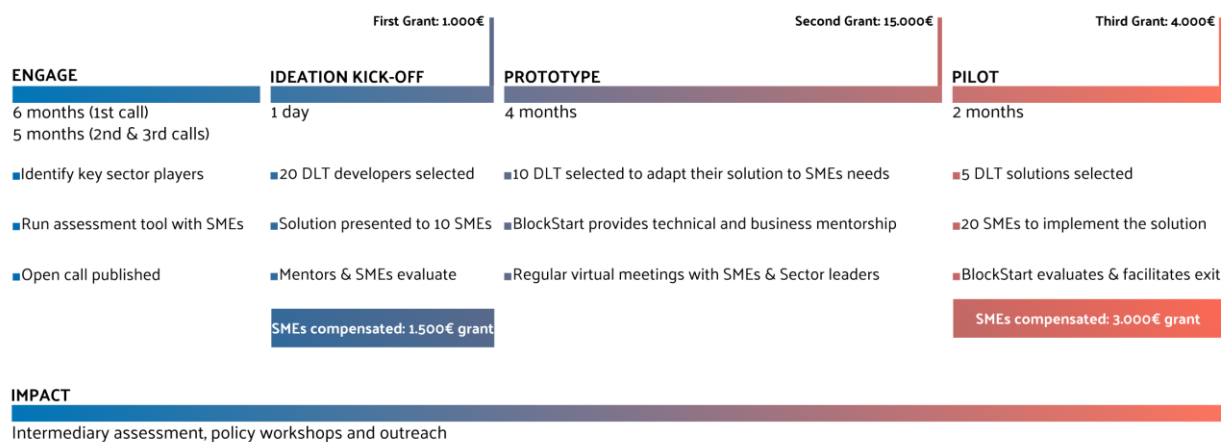


Figure 2 - BlockStart open call structure

In the table below, further detail is provided about each dimension of BlockStart program:

Table 1 - BlockStart program stages:

STAGE	OVERVIEW
ENGAGE	This stage is all about building relationships. We will be looking for startups/SMEs with ambition, product vision built from original insight and capacity for focused execution. And if you're a non-tech SME, our DLT assessment tool will tell you if you are ready for blockchain, and if you are, what are the next steps.
PROTOTYPE	<p>The development stage of the BlockStart programme starts with the Ideation Kick-Off to select which developers will be part of the mentorship programme and develop the BlockStart DLT solutions.</p> <p>This Ideation Kick-off brings developers and SMEs together for the first time to initiate a conversation on available solutions and existing problems. The most promising and adaptable solutions are selected for a 4 months acceleration where they will receive business and technical mentorship to achieve product/market fit.</p>
PILOT	<p>Final stage of the BlockStart programme makes a match between DLT solutions developed during the previous stage and pioneering SMEs that can implement them in real conditions.</p> <p>BlockStart facilitates relationships, provides mentoring for the implementation and assures a successful exit for BlockStart DLT solutions that is mutually beneficial to developers and SMEs.</p>

**IMPACT**

To ensure a holistic approach towards creating impact, the BlockStart team will take developers and SMEs on an exciting and ambitious journey. Our team will open up its world-class community of founders, investors, experts and access to clients and potential mentors/ advisors to ensure we deliver value at every step of the process.

## Funding Scheme

BlockStart funding is results-driven, where the funding is associated with the full achievement of the relevant milestone. Selected DLT Solution Providers (Developer) and SMEs will be funded as follows:

Table 2 - Funding per partner per stage:

	Funding Unlocked			
	Kick-Off	Prototype	Pilot	Total
Developer	1,000	15,000	4,000	20,000
SME	1,500		3,000	4,500

*Kick-off* funding serves to compensate for the business development costs: putting together a business case and attending a Kick-off event (physical presence is mandatory). The *Prototype* funding amount is used towards the technical development/adaptation of the DLT solution towards the SMEs needs, as well as business development costs such as doing on-site visits. The *Pilot* funding phase allows the SMEs to implement the solution within their systems - as well as the costs to the developer to eventually work on-site with the SMEs.

## Timeline – Open Call #1

Submission to the 1st Open Call will be enabled on the 16th of December 2019 and will end on the 10th of February 2020 at 17:00 CET time (Brussels time).

Below are presented the expected dates for the different phases. The opening and closing dates of each phase can be subject to change in case of any modifications in the project's schedule.

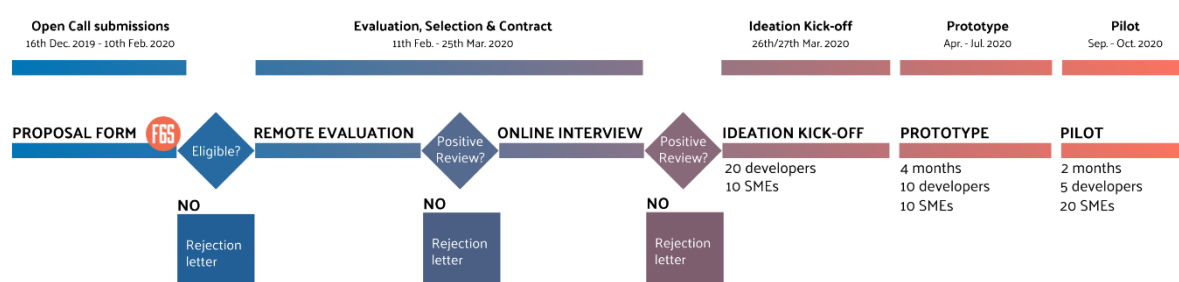


Figure 3 - BlockStart timeline - first open call



## 4. General Information

### Means of Submission

The F6S platform ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)) will be the entry point for all proposals' submission to BlockStart Open Calls. Submissions received by any other channel will be automatically discarded.

Documents required in subsequent phases will be submitted via dedicated channel, which will be indicated by BlockStart consortium during the sub-granted projects execution.

### Language

English is the official language for BlockStart open calls. Submissions done in any other language will not be evaluated. English is also the only official language during the whole execution of the BlockStart program. This means any requested submission of deliverables will be done in English in order to be eligible.

### Documentation formats

Any document requested in any of the phases must be submitted electronically in PDF format without restrictions for printing.

### Data protection

In order to process and evaluate applications, BlockStart will need to collect Personal and Industrial Data. BRPX, CIVITTA and F6S will act as Data Controllers of the personal data applicants supply throughout BlockStart.

In particular, data submitted for the purposes of the Open Call(s) will be managed through the F6S platform. The F6S platform's system design and operational procedures ensure that data is managed in compliance with The General Data Protection Regulation (EU) 2016/679 (GDPR). Each applicant will accept the F6S terms to ensure coverage.

Please note that BlockStart requests the minimum information needed to deliver the evaluation procedures or the acceleration programme. Annex 6 Bank Account Information, and Annex 7 Sub-grant Agreement Template, are provided for reference and will only be requested if the SME is accepted in the acceleration programme.

Please refer to [www.blockstart.eu/data-protection/](http://www.blockstart.eu/data-protection/) to get informed about the BlockStart data protection policy and security measures.

### Origin of the funds

Any selected proposer will sign a dedicated Sub-grant Agreement with the BlockStart consortium.

The funds attached to the Sub-grant Agreement come directly from the funds of the European Project BlockStart funded itself by the Executive Agency for Small and Medium-sized Enterprises (EASME), and remain therefore, property of the EU until the payment of the balance, whose management rights have been transferred to the project partners in BlockStart via European Commission Grant Agreement Number 828853.

As it can be seen in the Sub-Grant Agreement Template (Annex 7), this relation between the sub-grantees and the European Commission through BlockStart project carries a set of obligations to the sub-grantees with the European Commission. It is the task of the sub-grantees to accomplish them, and of the BlockStart consortium partners to inform about them.

## 5. Proposal Eligibility Criteria

BlockStart invites startups and SMEs to provide innovative blockchain based solutions in the fintech, ICT and retail sectors.

### Definitions of SME and Startup

#### SME

An SME will be considered as such if complying with the European Commission Recommendation 2003/361/EC and the SME user guide. As a summary, the criteria which define an SME are:

- 1) Independent (not linked or owned by another enterprise), in accordance to Recommendation 2003/361/EC.
- 2) Headcount in Annual Work Unit (AWU) less than 250.
- 3) Annual turnover less or equal to €50 million OR annual balance sheet total less or equal to €43 million.

#### Startup

When there is not a constituted SME the applicants could be an individual or group of individuals legally established in a H2020 eligible country and with a written commitment to set up a legal SME if reaching "Prototype" phase.

### SME Eligibility Criteria (phases prototype & pilot)

An SME is considered eligible for BlockStart open call if it complies with ALL the following rules:

- I. It is a legal entity established and based in one of the EU Member States or an H2020 Associated Countries as defined in H2020 rules for participation.
- II. It is a technology provider or technology adopter/user able to develop solutions to the fintech, ICT and/or retail sectors.
- III. Startups that do not have yet annual turnover or balance sheets are also considered eligible given that they fulfill the criteria (1) and (2) of the previous section ("Definitions of SME and Startup") at submission time.

- IV. In case an SME is awarded a sub-project, it will remain eligible even if, at a certain point during the sub-project execution, it does not fulfill criteria (2) or (3) of the previous section.

**For British applicants:** Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project. In that case, the rules of H2020 grants will apply.

Please note that a signed version of **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** are mandatory for proposal submission.

## Proposal Eligibility Criteria

The following proposals eligibility criteria also apply:

- I. Proposals must have a clear European dimension, facilitate blockchain-based innovation and contribute towards European Union digitization, targeting clear economic and societal impact.
- II. Each SME may submit only one (1) proposal at each BlockStart open call. In case an SME submits more than one proposal per open call, only the first one will be considered, and all the following proposals submitted will be automatically excluded from the evaluation process.
- III. SMEs may participate in a maximum one (1) accepted sub-project after being selected at the Ideation Kick-off as one of the 10 DLT projects that will continue in the program (being automatically excluded from participating in Open Call #2 and #3, even if they submit a different proposal). However, DLT developers participating at the Ideation Kick-off, but not moving to the 4 months Prototype phase, may apply to following calls.
- IV. If one user needs to submit applications from multiple SMEs, then he/she needs to create as many F6S profiles as applications that will be submitted.
- V. SMEs may re-submit at Open Call #2 and #3 a proposal submitted to Open Call #1. However, it is mandatory to flag that this is a resubmission and clearly explain the improvements that they have made.
- VI. The maximum amount of direct funding that a Startup/SME may receive via BlockStart is €20.000 via any mean (€20.000 as the maximum amount for DLT providers, and €4.500 as the sub-grant limit for SMEs implementing the DLT solutions).

## 6. Open Call submission and selection process

BlockStart will issue three open calls. All open calls will address specific sectors. The following figure summarizes the open call process:

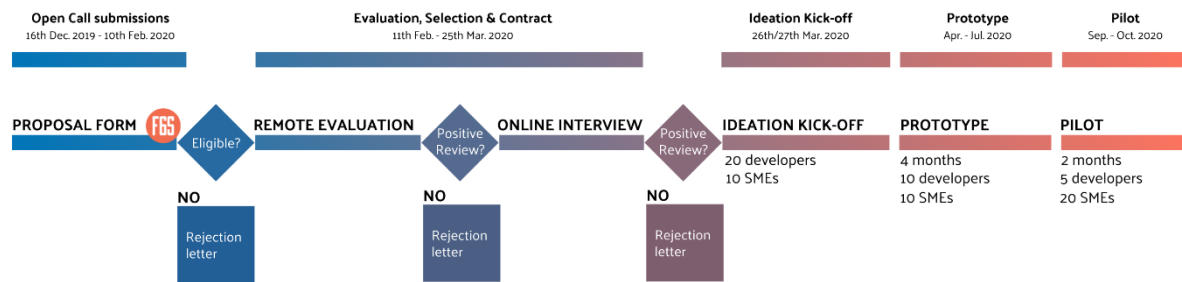


Figure 4 - BlockStart submission & selection process

## Open Call Submission

The Open Call submission will follow the steps that are listed in this section:

### Open Call publication

Each open call will be supported by:

- **Annex 1: Open Call Text**, which provides a full set of information regarding the Open Call for Proposals for the BlockStart project
- **Annex 2: Guidelines for Applicants**, which sets out the guidelines for participation in the first open call for proposals of the BlockStart Partnership Program.
- **Annex 3: Application Form**, application form available at [www.f6s.com/blockstart](http://www.f6s.com/blockstart), with questions that need to be addressed by applicants.
- **Annex 3.1: Proposal Supplement**, a document providing information on proposal schedule, timing, Ethical & Security details.
- **Annex 4: Declaration of Honour**, which declares that all conditions of the Open Call are accepted by an SME legal representative.
- **Annex 5: SME Declaration**, which evaluates the status of the SMEs participating at an open call.
- **Annex 6: Bank Account Information**, which collects information on the applicant's bank account where the BlockStart payments will be transferred to.
- **Annex 7: Sub-grant Agreement Template**, which provides a template of the sub-grant agreement that the successful applicants will be requested to sign.
- **Annex 8: Template for H2020 Financial Support to Third Parties**, which contains the formal announcement to be published in the EU portal.

### Applicants Registration

Interested applicants should register at the BlockStart F6S page ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)). This will be the central interface for managing the proposal applications for the remainder of the open calls.

### Proposal Preparation

Please follow the steps:

1. For the proposal preparation, the applicants are requested to apply online and answer to all mandatory questions (with no exception) at [www.f6s.com/blockstart](http://www.f6s.com/blockstart).

2. Applicants that do not accept the terms and conditions and do not sign and upload to the F6S platform the completed **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** will not be eligible.
3. Be concrete and concise. Questions have characters limitation. Please examine all the open call documents and attend the various online and physical events promoted by the BlockStart projects ([www.blockstart.eu](http://www.blockstart.eu)).
4. It is highly recommended to submit your proposal well before the deadline. If the applicant discovers an error in the proposal, and provided the call deadline has not passed, the applicant may request the BlockStart team to re-submit the proposal (for this purpose please contact us at [hello@blockstart.eu](mailto:hello@blockstart.eu)). However, BlockStart is not committed that resubmission in time will be feasible in case the request for resubmission is not received by the BlockStart team at least 48 hours before the call deadline.

It is strongly recommended not to wait until the last minute to submit the proposal. Failure of the proposal to arrive in time for any reason, including network communications delays or working from multiple browsers or multiple browser windows, is not acceptable as an extenuating circumstance. The time of receipt of the application as recorded by the submission system will be definitive.

### Proposals reception

Submissions will be done ONLY via the F6S platform on [www.f6s.com/blockstart](http://www.f6s.com/blockstart). A full list of proposers will be drafted containing their basic information for statistical purposes and clarity (which will be also shared with EC for transparency).

The application reception will close at 17:00 CET (Brussels time) on Monday, 10th February 2020. There will not be any deadline extensions unless a major problem caused by the F6S platform and not by the proposers makes the system unavailable.

## Procedures for DLT provider to enter to the BlockStart Programme

### Step 1.1: Eligibility

An automatic filtering to discard non-eligible proposals will follow the shortlist. Eligibility criteria check will verify:

- a) The proposing entity is a legal entity eligible for EC funding under the rules of H2020 [Y/N]
- b) The proposing entity is an SME/startup as defined in section “Definitions of SME and Startup” [Y/N]
- c) The proposing entity is either a DLT startup/SME or technology adopter/user who provides innovation solutions in the fintech, ICT or retail sectors [Y/N]
- d) Are the participation rules as expressed in section “SME Eligibility Criteria” followed [Y/N]
- e) Is the participation rule as expressed in section “Proposal Eligibility” followed [Y/N]
- f) Is the proposal written in the English Language [Y/N]?
- g) Are all required documentation: **Annex 4: Honour Declaration** and **Annex 5: SME Declaration** submitted correctly [Y/N]

Proposals being marked as non-eligible will get a rejection letter including the reasons (a to g) for being cataloged as non-eligible. No further feedback on the process will be given.

### Step 1.2: External remote evaluation

Remotely and within F6S platform, the application will be reviewed by external evaluators with experience in: Blockchain technologies; the relevant sector (fintech, ICT and retail); and business development. Applications will be scored based on the following evaluation criteria:

- **Criterion 1: Concept.** Design, reliability, feasibility, novelty of the product or service concept proposed.
- **Criterion 2: Technology.** Technology and business fit to BlockStart scope, innovation, technical capacity to achieve TRL 6-9 at Pilot stage (to cross the valley of death), technical milestones.
- **Criterion 3: Impact.** Expected output should target clear economic and societal impact, market potential, European dimension, cross-sector/-border business scalability, and define a clear exploitation strategy/ business plan and commercial milestones.
- **Criterion 4: SME/Team.** Capacity to perform the task; knowledge, technological and business expertise; commitment.

Each criterion will have a mark between 1 and 10. Half point scores are not given. For each criterion under examination, score values will indicate the following assessments:

- **1-2: Fail.** The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
- **3-4: Very poor.** The criterion is addressed in an unsatisfactory manner.
- **5: Poor.** There are serious inherent weaknesses.
- **6-7: Good.** While the proposal broadly addresses the criterion, there are significant weaknesses that would need correcting.
- **8-9: Very Good.** The proposal addresses the criterion well, although certain improvements are possible.
- **10: Excellent.** The proposal successfully addresses all relevant aspects of the criterion in question. Any shortcomings are minor.

The threshold for each criterion will be six (6), while the overall score threshold will be twenty-five (25). That means if a proposal receives less than 6 in one criterion or less than 25 overall score it is automatically rejected.

Each evaluator will record his/her individual opinion of each proposal on an Individual Evaluation Report. They will then communicate to prepare a single consensus Evaluation Summary Report (ESR) for each proposal.

### Step 1.3: Ranking and Remote Interview

At the end of the remote evaluation process all proposals will be ranked in a single list, independent of the topic(s) that it targets. The criteria for the ranking of the proposals will be semi-automatic following the rules below:

- Rule 1: The proposals will be ranked based on their overall score (summary of the criterion 1 to 4).
- Rule 2: In case following Rule 1 there are proposals in the same position, priority will be given to proposals that have higher impact and market potential (Criterion 3).
- Rule 3: In case following Rule 2 there are proposals in the same position, priority will be given to proposals where their technology and business fit to BlockStart scope (Criterion 2).

- Rule 4: In case following Rule 3 there are proposals in the same position, priority will be given to innovation of the concept (Criterion 1).
- Rule 5: In case following Rule 4 there are proposals in the same position, priority will be given to the number of female members participating in the team.

The top 30 (or slightly more in case following Rule 5 there are still proposals in the same position) will be invited for a remote interview. The interview aims to deeply understand project concept, team skills & competence, capacity and wiliness to exploit DLTs solutions with SMEs in the target sectors. The interviews will be carried out by evaluation board members and will evaluate the following criteria:

- **Criteria 1: Concept & Technology** (30%) [1-10; min. 6] - confirmation of proposed targets and technology fit.
- **Criteria 2: Impact** (30%) [1-10; min. 6] - the impact and scalability of the proposed solution.
- **Criteria 3: Team** (40%) [1-10; min. 6] - reliability of the team and their capacity to deliver.

If during interview applicants do not commit to what had been presented in the application form, these will be declassified (e.g.: misleading information on the percentage of private investment).

#### Step 1.4: Final Ranking and Selection

At the end of the remote evaluation process all proposals will be ranked in a single list, independent of the topic(s) that it targets. The criteria for the ranking are the same as those presented in Step 1.3.

At the end of the online interviews, 20 proposals will be selected, and 10 others will remain in a reserve list, in case a selected proposal fails to enter the Prototype phase.

All proposals will receive an acceptance or rejection letter together with an anonymized version of their proposal Evaluation Report.

#### Step 1.5: Contract Preparation

After the Open Call evaluation conclusion and projects selection, the BlockStart coordinator will start the contract preparation in collaboration with the proposals' coordinator that have been evaluated in the shortlist. Contract preparation will go via an administrative and financial checking (and potentially into technical or ethical/security negotiations) based on evaluators' comments. On a case by case approach, a phone call or teleconference may be needed for clarification.

The objective of the contract preparation is fulfilling the legal requirements between BlockStart consortium and every beneficiary of the call. The items covered will be:

- Inclusion of the comments (if any) in the Evaluation Summary Report of the proposals and mapping to the Sub-grant agreement (contract).
- To validate the status information of the SME, the following documents will be required:
  - SMEs declaration: signed and stamped. In the event the applicant declares being non-autonomous, the balance sheet and profit and loss account (with annexes) for the last period for upstream and downstream organizations should also be provided.

- Status Information Form: in case this is not a startup, it includes the headcount (AWU), balance, profit & loss accounts of the latest closed financial year and the relation, upstream and downstream, of any linked or partner company. In case it is a startup, legal document of the official founding date.
- Legal existence: Company Register, Official Gazette or other official document per country showing the name of the organisation, the legal address and registration number and a copy of a document proving VAT registration (in case the VAT number does not show on the registration extract or its equivalent).
- In cases where the number of employees and/or the ownership is not clearly identified: any other supporting documents which demonstrate headcount and ownership such as payroll details, annual reports, national regional association records, etc. In case it is a startup, a declaration of intent to create the company up to the prototype stage. They also agree not to receive any grant until the company creation.
- SME Bank Account Information: The account where the funds will be transferred will be indicated via a form signed by the SME legal representative and the bank representative. The account should be a business bank account of the SME.

It should be emphasized that each SME should provide at contract preparation time a valid VAT. Failure to provide the VAT number will automatically result in proposal rejection (at Prototype stage).

The request, by BlockStart consortium, of the above documentation will be done including deadlines. In general, the sub-project negotiation should be concluded within 2 weeks. An additional week may be provided by the BlockStart coordinator in case of significant reasoning. In case negotiations have not been concluded within the above period, the proposal is automatically rejected and the next proposal in the reserve list is invited.

### Step 1.6: Contract Signature

At the end the negotiation phase, the sub-grant agreement will be signed between the BlockStart Consortium represented by its coordinator (BRPX) and the beneficiary SME.

Please note:

- I. The sub-grant agreement/contract will cover the complete 3 phases: IDEATION KICK-OFF, PROTOTYPE and PILOT. No additional sub-grantee will be signed if an SME enters the next phase.
- II. The sub-grantee funding agreement will automatically expire at the end of each phase - IDEATION KICK-OFF, PROTOTYPE and PILOT - without any further notice from the BlockStart consortium, in case the project does not enter or qualify for the next phase or if the SME is not considered eligible any more or if the Declaration of Honour has been violated.
- III. For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project. In that case, the rules of H2020 grants will apply.



## Redress process

Within 3 working days of the delivery of a rejection letter considering the proposal as non-eligible or an ESR, a proposer may submit a request for redress if s/he believes the results of the eligibility checks have not been correctly applied, or if s/he feels that there has been a shortcoming in the way his/her proposal has been evaluated that may affect the final decision on whether to enter the IDEATION KICK-OFF phase or not.

In that case, an internal review committee of the BlockStart consortium will examine the request for redress. The committee's role is to ensure a coherent interpretation of such requests, and equal treatment of applicants.

Requests must be:

- Related to the evaluation process or eligibility checks.
- Clearly describe the complaint.
- Received within the time limit (3 working days) from the reception of a rejection letter considering the proposal as non-eligible or the ESR information letter delivered.
- Sent by the SME legal representative that has also submitted the proposal.

The committee will review the complaint and will recommend an appropriate course of action. If there is clear evidence of a shortcoming that could affect the eventual funding decision, it is possible that all or part of the proposal will be re-evaluated.

Please note:

- This procedure is concerned only with the evaluation and/or eligibility checking process. The committee will not call into question the scientific or technical judgement of appropriately qualified experts.
- A re-evaluation will only be carried out if there is evidence of a shortcoming that affects the final decision on whether to fund it or not. This means, for example, that a problem relating to one evaluation criterion will not lead to a re-evaluation if a proposal has failed anyway on other criteria.
- The evaluation score following any re-evaluation will be regarded as definitive. It may be lower than the original score.

Only one request for redress per proposal will be considered by the committee. All requests for redress will be treated in confidence and have to be sent to Project Coordinator via the F6S platform.

## IDEATION KICK-OFF phase & procedures to enter PROTOTYPE phase

### Step 1.1: Preparation

Ideation Kick-off is the bridge between the online selection of DLT developers and the challenges that SMEs face. 20 DLT developers are invited to an on-site session with 10 invited SMEs previously identified - as well as mentors from the consortium and experts in both Blockchain and the target sector. The concept of the event is to get to know existing DLT technologies from their developers, match those with real SME needs and draw a roadmap on how to go from potential to real benefits.

Meetings will be facilitated by the consortium, ideally with one representative per table.

The Advisory Board, intermediaries and other relevant parties will be on hand to support individual DLT developers or SMEs on particular issues that require their particular expertise.

### **Step 2.2: Technical Evaluation**

At the end of the day, 10 DLT developers are selected to continue into the next phase of the project.

The criteria, as evaluated by 1 member of BlockStart, 1 member of the Advisory Board and 1 intermediary representative, are (1) Quality of the proposed solution, (2) Interest shown by the SMEs, (3) Technological maturity, (4) Technological flexibility/capacity to adapt and (5) Team experience.

### **Step 2.3: Final Ranking & Selection to the PROTOTYPE Phase**

At the end of BlockStart's Ideation Kick-off event the sub-projects will be ranked based on their evaluation scores.

In case two or more sub-projects have equal final scores, the external experts' committee will decide on the final ranking based on each sub-project impact potential and probability to achieve the results.

At the end of the event the project coordinator will announce the top 10 DLT providers sub-projects that have entered the Prototype phase. The remaining 10 sub-projects will be automatically terminated.

### **Step 2.4: Compensation of the IDEATION KICK-OFF Phase**

Just after the IDEATION KICK-OFF event, and within 5 working days, all 20 DLT providers should send to the BlockStart coordinator:

- The set of slides that s/he presented at the IDEATION KICK-OFF event.
- A financial statement of type F1 (template will be provided) requesting the €1.000 voucher of the IDEATION KICK-OFF Phase.
- Payments will be released no later than thirty (30) natural days after the notification by the Contractor.

The BlockStart coordinator and treasurer after receiving the above documents and cross-checking the list of participants, will proceed with the payment of the IDEATION KICK-OFF phase voucher (provided in a lump sum mode).

In case an SME, either does not participate in the IDEATION KICK-OFF event, or does not successfully complete the IDEATION KICK-OFF evaluations or does not submit the above documentation within the foreseen timeframe, their sub-grantee contract will be automatically terminated and no IDEATION KICK-OFF phase compensation will be provided.

After providing the IDEATION KICK-OFF phase funding to the DLT providers beneficiaries, the IDEATION KICK-OFF Phase is complete. As a result:

- The top 10 DLT providers will automatically enter the PROTOTYPE phase, based on their contract;
- The sub-grant contract of the remaining 10 DLT providers will be automatically terminated.

## PROTOTYPE phase & procedures to enter PILOT phase

### Step 3.1: Prototype phase

The actual prototype activity involves facilitating the relationship between the DLT developer and the SMEs. The prototype will begin by clarifying its scope and the negotiation of the key metrics that will define a successful development. These metrics should include both quantitative and qualitative metrics. DLT developers will be encouraged to use a ticketing system to centralize communication, better understand the product problems, organize customer support and easily gather support KPIs. BlockStart will then receive bi-weekly updates on the collaboration with the current status of the metrics previously identified, identify business and technical obstacles that come up during implementation and direct both parties to the resources needed to resolve them (in the form of mentorship or subject-matter experts). The Prototype phase will end if the prototype is successfully completed (all the metrics are attained) or after 4 months.

### Step 3.2: Evaluation

At the end of Prototype phase, a remote review will take place to evaluate the progress of the sub-project. Two weeks before the review, the sub-project coordinator should submit the following deliverable:

- D1: Prototype, describing the system prototype that they have implemented and the results of the tests.

The review will be remote via a teleconference platform (e.g. Skype, Whereby). The review committee will consist of experts from the BlockStart consortium and the engaged sectoral SME.

The DLT developer will make a short presentation of the sub-project, analyze the design considerations and answer questions from the experts.

After the review, the sub-project coordinator will receive a review report, including comments and potential recommendations. The report will also state if the Prototype deliverable was accepted or not.

### Step 3.5: Selection to the PILOT phase

A committee of experts will score each DLT provider sub-project (the scoring will be done remotely). The value of the score of each evaluator will be equal and the final evaluation score will be the average of the experts individual scores. Evaluation should be based on deliverable D1.

The sub-projects will be ranked based on the final evaluation score. In case two or more sub-projects have equal final scores, the external experts' committee will decide on the final ranking based on each sub-project impact potential and probability to achieve the results.

At the end of the evaluation process the project coordinator will announce the top 5 sub-projects that have entered the Pilot phase. The remaining 5 sub-projects will be automatically terminated.

### Step 3.6: Compensation of the PROTOTYPE Phase

Just after the PROTOTYPE selection to the PILOT phase, and within 5 working days, all sub-project coordinators that have successfully complete the PROTOTYPE phase should send to the BlockStart coordinator the financial statement F2 (template will be provided) requesting the €15.000 voucher of the Prototype.

The BlockStart coordinator and treasurer, after receiving the above-mentioned financial statements and cross-checking the list of participants, will proceed with the payment (provided in a lump sum mode). Payments will be released no later than thirty (30) natural days after the notification by the Contractor.

In case an DLT Provider has not successfully completed Prototype phase or has not submitted the financial statements with the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.

After providing the PROTOTYPE phase funding to the DLT providers beneficiaries, the PROTOTYPE Phase is complete. As a result:

- The top 5 sub-projects will automatically enter the PILOT phase, based on their contract;
- The sub-grantee contract of the remaining 5 sub-projects will be automatically terminated.

## PILOT phase

### Step 4.1: PILOT phase implementation

After BlockStart's PROTOTYPE phase, the top 5 sub-projects will enter the PILOT phase. The duration of this stage will be approximately 2 months.

Prior to the Pilot implementation, KPIs will be defined and agreed upon between DLT developer, SME and BlockStart consortium.

During this phase, the selected DLT provider will be matched with pioneering SMEs. BlockStart will be facilitating the relationship and developing a mutually beneficial agreement for after the end of the PILOT phase. Selected DLT solutions that successfully conclude the pilot stage will have the opportunity to present their solution in an exclusive 1-day event open to sector industry companies and investors: the Demo Day.

### Step 4.2: PILOT Evaluation

At the end of the Pilot, a BlockStart Demo Day event will take place (the place will be defined at least 1 month before). It is mandatory that at least one participant per DLT provider is present at the event, signs the participants list and actively participates in the activities. However, it is strongly suggested that two DLT provider representatives participate.

During the PILOT event, each DLT developer will have the opportunity to demonstrate their product to an evaluation committee and broader audience, either in pitching sessions and one-to-one meetings.

Successful presentation and demonstration of the product at TRL 7-8 will result in successful completion of the PILOT Phase.

### Step 4.3: Compensation of the PILOT Phase

Just after the PILOT event, and within 5 working days, all sub-project coordinators that have successfully complete the PILOT phase should send to the BlockStart coordinator:

- A report of the pilot detailing the following: scope of the activities, key metrics and if they were met, main obstacles and how they were surpassed/lessons learned, next steps;
- A financial statement F3 (template will be provided) requesting the €4.000 voucher of the PILOT Phase;
- Payments will be released no later than thirty (30) natural days after the notification by the Contractor.

The BlockStart coordinator and treasurer after receiving the above documents and cross-checking the list of participants, will proceed with the payment (provided in a lump sum mode).

In case an DLT provider, either has not participated in the PILOT Demo Day event, or has not successfully completed the PILOT evaluation or has not submitted the financial statements with the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.

## 7. DLT projects Execution Summary

### Mentor

Each sub-project will be assigned at least one mentor. The mentor will communicate with the sub-project on a regular basis and in order to overview the progress and provide technical or business advice.

### Evaluations Summary

Each project will go through 4 evaluations, each one highlighting the end of a phase.

Evaluation 1			
When	Open Call deadline	Estimated project month	February 2020
Mean	Proposal submission		
If successful (top 20)	The DLT provider signs the contract and enters the IDEATION KICK-OFF phase		
Evaluation 2			
When	IDEATION KICK-OFF Event	Estimated project month	March 2020
Mean	Set of slides & pitching proposal idea		
If successful	The DLT provider receives €1.000 as lump sum for covering travel expenses		

If distinction (top 10)	The DLT provider enters the PROTOTYPE phase		
Evaluation 3			
When	Remote Review	Estimated project month	July 2020
Mean	Deliverable D1: Report (implementation, describing the system prototype that they have implemented and the results of the tests) & Business and Exploitation Plan		
If successful	The DLT provider receives €15.000 as lump sum		
If distinction (top 5)	The proposal enters the PILOT phase		
Evaluation 4			
When	PILOT Demo Day Event	Estimated project month	October 2020
Mean	Report, demonstration of the product (TRL 7-8) & pitching		
If successful	The DLT provider receives €4.000 as lump sum		

The sub-grantees should deliver at least two (2) weeks in advance all relevant deliverables, so that the reviewers will be able to be prepared. During the review, the sub-project members should present their work, answer questions and demonstrate their experiment.

After each successful evaluation and within 5 working days, the sub-project coordinator should send the relevant Financial Statement to the coordinator. Additional conditions and eligibility criteria have already been described in the previous sections.

## 8. Responsibilities of beneficiaries

The selected DLT provider SMEs are indirectly beneficiaries of European Commission funding. As such, they are responsible for the proper use of the funding and ensure that the recipients comply with obligations under H2020 specific requirements as described in Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) (Digital Innovation Initiatives based on European Networks of Competence Centres in H2020) The obligations that are applicable to the recipients include:

### Conflict of Interest

The beneficiary DLT Providers must take all measures to prevent any situation where the impartial and objective implementation of the sub-project is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

They must formally notify to the BlockStart coordinator without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation. The BlockStart coordinator may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

If the sub-contract consortium member breaches any of its obligations, the sub-contract may be automatically terminated. Moreover, costs may be rejected.

## Data Protection & Confidentiality

During implementation of the sub-project and for four years after the end of the sub-project, the parties must keep confidential any data, documents or other material (in any form) that is identified as confidential at sub-contract signing time ('confidential information').

If a beneficiary DLT provider SME requests, the Commission and the BlockStart consortium may agree to keep such information confidential for an additional period beyond the initial four years. This will be explicitly stated at the sub-contract.

If information has been identified as confidential during the sub-project execution or only orally, it will be considered to be confidential only if this is accepted by the BlockStart coordinator and confirmed in writing within 15 days of the oral disclosure. Unless otherwise agreed between the parties, they may use confidential information only to implement the Agreement.

The sub-project consortium may disclose confidential information to the BlockStart consortium and to the selected reviewers, who will be bounded by a specific Non-Disclosure Agreement.

## Promoting the action and give visibility to the EU funding

The beneficiary SMEs must promote the sub-project, the BlockStart project and its results, by providing targeted information to multiple audiences (including the media and the public) in a strategic and effective manner and to highlight the financial support of the EC.

Unless the European Commission or the BlockStart coordinator requests or agrees otherwise or unless it is impossible, any communication activity related to the action (including in electronic form, via social media, etc.), any publicity, including at a conference or seminar or any type of information or promotional material (brochure, leaflet, poster, presentation etc.), and any infrastructure, equipment and major results funded by the grant must:

- a) display the EU emblem;
- b) display the BlockStart logo and
- c) include the following text:

For communication activities: *"This project has indirectly received funding from the European Union's Horizon 2020 research and innovation programme, via an Open Call issued and executed under project BlockStart (grant agreement No 8228853)".*

For infrastructure, equipment and major results: *"This [infrastructure][equipment][insert type of result] is part of a sub-project that has indirectly received funding from the European Union's Horizon 2020 research and innovation programme via an Open Call issued and executed under project BlockStart (grant agreement No 8228853)".*

When displayed in association with a logo, the European emblem should be given appropriate prominence. This obligation to use the European emblem in respect of projects to which the EC contributes implies no right of exclusive use. It is subject to general third-party use restrictions which

do not permit the appropriation of the emblem, or of any similar trademark or logo, whether by registration or by any other means. Under these conditions, the Beneficiary is exempted from the obligation to obtain prior permission from the EC to use the emblem. Further detailed information on the EU emblem can be found on the Europa web page.

Any publicity made by the beneficiary SME in respect of the project, in whatever form and on or by whatever medium, must specify that it reflects only the author's views and that the EC or BlockStart project is not liable for any use that may be made of the information contained therein.

The EC and the BlockStart consortium shall be authorized to publish, in whatever form and on or by whatever medium, the following information:

- the name of the beneficiary SME;
- contact address of the beneficiary SME;
- the general purpose of the project;
- the amount of the financial contribution foreseen for the project; after the final payment, and the amount of the financial contribution actually received;
- the geographic location of the activities carried out;
- the list of dissemination activities and/or of patent (applications) relating to foreground;
- the details/references and the abstracts of scientific publications relating to foreground and, if funded within the sub-project, the published version or the final manuscript accepted for publication;
- the publishable reports submitted to BlockStart;
- any picture or any audio-visual or web material provided to the EC and BlockStart in the framework of the project.

The beneficiary SME shall ensure that all necessary authorizations for such publication have been obtained and that the publication of the information by the EC and BlockStart does not infringe any rights of third parties.

Upon a duly substantiated request by the sub-project coordinator on behalf of any sub-project member, the BlockStart, if such permission is provided by the EC, may agree to forego such publicity if disclosure of the information indicated above would risk compromising the beneficiary's security, academic or commercial interests.

## Financial audits and controls

The European Commission (EC) will monitor that BlockStart beneficiaries and the beneficiary SME comply with the conditions for financial support to third parties such as set out in Annex 1 of the BlockStart grant agreement and may take any action foreseen by the grant agreement in case of non-compliance vis à vis the beneficiary concerned.

Moreover, the EC may at any time during the implementation of the BlockStart project and up to 5 (five) years after the end of the BlockStart project, arrange for financial audits to be carried out, by external auditors, or by the EC services themselves including the European Anti-Fraud office (OLAF). The audit procedure shall be deemed to be initiated on the date of receipt of the relevant letter sent by the EC. Such audits may cover financial, systemic and other aspects (such as accounting and management principles) relating to the proper execution of the grant agreement. They shall be carried out on a confidential basis.



The beneficiary SME shall make available directly to the EC all detailed information and data that may be requested by the EC or any representative authorised by it, with a view to verifying that the grant agreement is properly managed and performed in accordance with its provisions and that costs have been charged in compliance with it. This information and data must be precise, complete and effective.

The beneficiary SME shall keep all sub-project deliverables and the originals or, in exceptional cases, duly authenticated copies – including electronic copies – of all documents relating to the sub-project contract for up to five years from the end of the project. These shall be made available to the EC where requested during any audit under the grant agreement.

In order to carry out these audits, the beneficiary SME shall ensure that the EC's services and any external body(ies) authorised by it have on-the-spot access at all reasonable times, notably to the sub-project applicant offices, to its computer data, to its accounting data and to all the information needed to carry out those audits, including information on individual salaries of persons involved in the project. They shall ensure that the information is readily available on the spot at the moment of the audit and, if so requested, that data be handed over in an appropriate form.

On the basis of the findings made during the financial audit, a provisional report shall be drawn up. It shall be sent by the EC or its authorised representative to the beneficiary concerned, which may make observations thereon within 1 month of receiving it. The Commission may decide not to take into account observations conveyed or documents sent after that deadline. The final report shall be sent to the beneficiary concerned within 2 months of expiry of the aforesaid deadline.

On the basis of the conclusions of the audit, the EC shall take all appropriate measures which it considers necessary, including the issuing of recovery orders regarding all or part of the payments made by it and the application of any applicable sanction.

The European Court of Auditors shall have the same rights as the EC, notably right of access, for the purpose of checks and audits, without prejudice to its own rules.

In addition, the EC may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 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.

## Sub-project Communication

The sub-project coordinator should:

- Provide any notice be in writing to the BlockStart project coordinator;
  - Notify immediately any change of persons or contact details to the BlockStart coordinator.
- The address list shall be accessible to all concerned.

## 9. BlockStart Events

BlockStart will organise physical events to the teams involved. Most of the events will be compulsory to attend those events in person. At least one representative per team will be required on each event, although it is strongly advised that at least two people attend.

Failing to attend any of the mandatory events defined at the beginning of each phase by BlockStart will automatically disqualify the team from BlockStart program.

The foreseen events are:

Table 3 - BlockStart events:

Event	Scope	Where	When	Duration	Mandatory
Ideation Kick-off	Selection of the projects to enter the Prototype stage	Lisbon	March 2020	1-2 days	Yes
Demo Day	Completion of the Pilot stage	To be defined	October 2020	1 day	Yes

Please note that the locations and dates at the above table are indicative and not binding. They may be modified during the execution of the program.

## 10. Checklist

- 1) **Does your planned work fit with the call for proposals?** Check that your proposed work does indeed address one of the topics open in this call.
- 2) **Does your proposal address blockchain technology?** Check that your proposed work does indeed address the blockchain technologies in one of the target sectors.
- 3) **Is your proposal eligible?** The eligibility criteria are given in sections “SME Eligibility Criteria” and “Proposal Eligibility Criteria”. In particular, make sure that you satisfy the minimum participation requirements (entity from eligible countries).
- 4) **Is your proposal complete?** Have you completed all mandatory questions?
- 5) **Does your proposal fulfill all questions requests/comments?** Proposals should be precise, concise and must answer to requested questions, which are designed to correspond to the applied evaluation. Omitting requested information will almost certainly lead to lower scores and possible rejection.
- 6) **Have you maximized your chances?** There will be strong competition. Therefore, edit your proposal tightly, strengthen or eliminate weak points.
- 7) **Have you submitted your proposal before the deadline?** It is strongly recommended not to wait until the last minute to submit the proposal. Failure of the proposal to arrive in time for any reason, including network communications delays, is not acceptable as an extenuating circumstance. The time of receipt of the message as recorded by the submission system will be definitive.

- 8) **Have you provided the necessary annexes?**
- 9) **Do you need further advice and support?** You are strongly advised to communicate with the BlockStart team via the BlockStart profile at FS6 platform ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)).

Do not forget that it is mandatory the applicant SME to have a valid VAT number during contract preparation time.

## 11. Contacts

For the application form and detailed guidance for applicants, please download the files available at the [www.blockstart.eu](http://www.blockstart.eu) website. The BlockStart consortium will organise webinars and be present at events from November 2019 until February 2020, to connect with interested applicants. Please check BlockStart F6S page & follow our social accounts if you want to stay tuned with this program.

The BlockStart consortium will provide information to the applicants only via [www.f6s.com/blockstart](http://www.f6s.com/blockstart), so that all information (questions and answers) will be accessible to all potential applicants.

No binding information will be provided via any other means (e.g. telephone or email).

More info at: [www.blockstart.eu/open-calls](http://www.blockstart.eu/open-calls)

Apply via: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

FAQ: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

Online Q&A: [www.f6s.com/blockstart](http://www.f6s.com/blockstart)

Support team: [hello@blockstart.eu](mailto:hello@blockstart.eu)

Personal Data Protection Policy available at: [www.blockstart.eu/data-protection/](http://www.blockstart.eu/data-protection/)

## 8 Annex 3 - Application Form

### Section 0. Contacts

1. Please provide information on your contacts (email, skype, phone, other)

### Section 1. Summary

2. Proposal Title:

-

3. Proposal Acronym:

-

4. Sector you are addressing:

-

5. Summary:

*Please write a brief summary of your blockchain/ DLT solution. The information contained in this summary will be made public on the BlockStart project website (only if you proceed to the Ideation Kick-off).*

-

6. Please upload a document with a scheme/ picture that illustrates the overall technical approach.\*

*(Max size 30MB)*

-

### Section 2. Application & Technology

7. Background and concept:

*Describe how, where and/or when the solution idea came from and its current stage of development (TRL).*

-

8. How do you intend to solve the problem? Where is the novelty?

*Describe and explain the overall concept. Describe the main ideas, models or assumptions involved. Identify competitor concepts and explain how your concept is different and innovative. Provide IP details (if applicable)*

-

#### 9. Technical approach

*Provide clear description and technical background information to understand the use of Blockchain-DLTs in the proposed solution.*

-

#### 10. Application goals

*Please describe the general and specific objectives pursued by the project, applying SMART methodology*

*(Specific, Measurable, Assignable, Realistic, Time-related)*

-

#### 11. Activity plan description:

Please upload the "Annex 3.1: BlockStart Proposal Supplement"

-

### Section 3. Impact & Business Viability

#### 12. Value proposition

-

#### 13. Who are your target customers

-

#### 14. What is your "go to market" strategy

-

#### 15. What is the European dimension and impact of the proposed solution

-

#### 16. How do you differentiate your solution from your competitors' solutions

-

### Section 4. SME/ Team Description

#### 17. Company description

-

#### 18. Any products that already use blockchains technology

-

#### 19. How many people are working full time in the company

-

20. Key personnel short CVs involved in the project

-

21. Why your team best suited to work together towards addressing the problem

-

## Section 5. Final Questions

22. Could you please tell us how you first heard about BlockStart?

Facebook

Twitter

Friend/colleague reference

University

BlockStart partner

BlockStart event

Newsletter

Web surng

News/media

Peer applicants

Other

23. Please upload the "Annex 4: Declaration of Honor" properly fill-in and signed

-

24. Please upload the "Annex 5: SME Declaration " properly fill-in and signed.

-

25. Acceptance of the Data Privacy Policies

-

26. Acceptance of the BlockStart open call conditions

-

## 9 Annex 3.1 - Proposal Supplement

### Project Activities Breakdown & Scheduling

*Describe the activities that will take place in your project from the technical point of view. Break down your work to work packages and tasks and provide timing of the different activities and components (e.g. Gantt chart or similar);*

*This section should answer the question “how are we going to implement the project to reach the defined objectives?”*

*The allowed font type is “Arial” and the minimum font size is 11 points, the paragraph spacing 6pt and the line spacing single. The page size is A4, and all margins (top, bottom, left and right) should be at least 15 mm (not including any footers or headers).*

*This section (after removing this explanatory text) should not be more than 1 page.*

## Annex: Ethical/Security Checklist

### ETHICAL ISSUES TABLE

<b>Informed Consent</b>	
• Does the proposal involve children?	
• Does the proposal involve patients or persons not able to give consent?	
• Does the proposal involve adult healthy volunteers?	
• Does the proposal involve Human Genetic Material?	
• Does the proposal involve Human biological samples?	
• Does the proposal involve Human data collection?	
<b>Research on Human embryo/foetus</b>	
• Does the proposal involve Human Embryos?	
• Does the proposal involve Human Foetal Tissue / Cells?	
• Does the proposal involve Human Embryonic Stem Cells?	
<b>Privacy</b>	
• Does the proposal involve processing of genetic information or personal data (e.g. health, sexual lifestyle, ethnicity, political opinion, religious or philosophical conviction)	
• Does the proposal involve tracking the location or observation of people?	
<b>Research on Animals</b>	
• Does the proposal involve research on animals?	
• Are those animals transgenic small laboratory animals?	
• Are those animals transgenic farm animals?	
• Are those animals cloned farm animals?	
• Are those animals nonhuman primates?	
<b>Research Involving Developing Countries</b>	
• Use of local resources (genetic, animal, plant etc)	
• Benefit to local community (capacity building i.e. access to healthcare, education etc)	
<b>Dual Use</b>	
• Research having direct military application	
• Research having the potential for terrorist abuse	
<b>ICT Implants</b>	
• Does the proposal involve clinical trials of ICT implants?	
<b>I CONFIRM THAT NONE OF THE ABOVE ISSUES APPLY TO MY PROPOSAL</b>	<b>YES/NO</b>



## 1.1 Ethics

If you have entered any ethics issues in the ethical issue table, you must:

- submit an ethics self-assessment, which:
  - describes how the proposal meets the national legal and ethical requirements of the country or countries where the tasks raising ethical issues are to be carried out;
  - explains in detail how you intend to address the issues in the ethical issues table, in particular as regards:
    - research objectives (e.g. study of vulnerable populations, dual use, etc.);
    - research methodology (e.g. clinical trials, involvement of children and related consent procedures, protection of any data collected, etc.);
    - the potential impact of the research (e.g. dual use issues, environmental damage, stigmatization of particular social groups, political or financial retaliation, benefit-sharing, malevolent use, etc.).
- provide the documents that you need under national law (if you already have them), e.g.:
  - an ethics committee opinion;
  - the document notifying activities raising ethical issues or authorizing such activities.
- If these documents are not in English, you must also submit an English summary of them (containing, if available, the conclusions of the committee or authority concerned).
- If you plan to request these documents specifically for the project you are proposing, your request must contain an explicit reference to the project title.

## 1.2 Security

Please indicate if your project will involve:

- |                                                         |          |
|---------------------------------------------------------|----------|
| ● Activities or results raising security issues:        | (YES/NO) |
| ● 'EU-classified information' as background or results: | (YES/NO) |
| ● Any potential "dual use" of results:                  | (YES/NO) |

## 10 Annex 4 - Declaration of Honour

### Applicant Declaration of Honour

Title of the proposal:

On behalf of  (Company name) established in , (Registered Office of SME), SME VAT number , represented for the purposes of signing and submitting the proposal and the Declaration of Honour by  (Name of legal representative),

By signing this document, I declare that

- 1) I have the power of legally binding the above mentioned SME on submitting this proposal.
- 2) The above mentioned SME has not submitted any other proposal under BlockStart Open Call.  
In case the above mentioned SME has submitted more than one proposal in this Open Call, all other proposals will be automatically excluded from the evaluation process.
- 3) I and the above SME that I legally represent are fully aware and duly accept all BlockStart rules and conditions as expressed in BlockStart Open Call documents and all Annexes, and will fully respect any evaluation decision and proposal selection under BlockStart Ideation Kick-off, Prototype and Pilot stages.
- 4) The information included in the Annex 5: SME Declaration document is true and legally binding.
- 5) All provided information in this declaration is true and legally binding.

SME Legal representative Contact Information:

<b>Title (Mr, Mrs, Dr.)</b>	
<b>Name</b>	
<b>Surname</b>	
<b>Position in the company</b>	
<b>Full Address of the company</b>	
<b>Country</b>	
<b>Email Address (professional)</b>	
<b>Telephone (professional)</b>	
<b>Mobile (professional)</b>	
<b>Signature and stamp</b>	

## Declaration of Honour on exclusion criteria and absence of conflict of interest

By signing this Declaration of Honour, I declare that all provided information below is true and legally binding both for me and for the SME that I legally represent:

1. I declare that the mentioned SME is not in one of the following situations:
  - a) it is bankrupt or being wound up, is having its 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) it or persons having powers of representation, decision making or control over it have been convicted of an offense concerning their professional conduct by a judgment which has the force of res judicata;
  - c) it has been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the European Investment Bank and international organizations;
  - d) it is not in compliance with its 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 it is established or with those of the country of the contracting authority or those of the country where the contract is to be performed, to be proved by the deliverance of official documents issued by the local authorities, according to the local applicable rules;
  - e) it or persons having powers of representation, decision making or control over it have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity, where such illegal activity is detrimental to the Union's financial interests;
  - f) is subject to an administrative penalty for being guilty of misrepresenting the information required by the contracting authority as a condition of participation in a grant award procedure or another procurement procedure or failing to supply this information or having been declared to be in serious breach of its obligations under contracts or grants covered by the Union's budget.
2. I declare that the natural persons with power of representation, decision-making or control over the above-mentioned SME are not in the situations referred to in a) to f) above;
3. I declare that:
  - a) Neither myself or any person that I know is subject to a BlockStart conflict of interest;
  - b) I have not made false declarations in supplying the information required by participation in the Open Calls of BlockStart Project or does not fail to supply this information;
  - c) I am not in one of the situations of exclusion, referred to in the abovementioned points a) to f).
  - d) I am aware and fully accept all BlockStart condition and rules as expressed in BlockStart Open Call documents Annex 1, Annex 2, Annex 3, Annex 3.1, Annex 4, Annex 5, Annex 6, Annex 7 and Annex 8.
4. I certify that the SME that I represent:
  - is committed to participating in the abovementioned project;

- has stable and sufficient sources of funding to maintain its activity throughout its participation in the above-mentioned project and to provide any counterpart funding necessary;
- has or will have the necessary resources as and when needed to carry out its involvement in the above-mentioned project.

<p>Full name:</p> <p>_____</p> <p>On _____ behalf of _____ SME:</p> <p>_____</p>	<p>Signature and stamp (if applicable)</p>
<p>Done at (place) _____ on the (day) _____ (month) _____ (year) _____</p>	

## 11 Annex 5 - SME Declaration

### Declaration on information on the SME qualification

#### Precise identification of the applicant enterprise

Name or Business name .....

Address (of registered office) .....

Registration / VAT number .....

Names and titles of the principal director(s) .....

#### Type of enterprise (see explanatory note)

Tick to indicate which case(s) applies to the applicant enterprise:

- ☐ Autonomous enterprise In this case the data filled in the box below result from the accounts of the applicant enterprise only. Fill in the declaration only, without annex.
- ☐ Partner enterprise Fill in and attach the annex (and any additional sheets), then complete the declaration by copying the results of the calculations into the box below.
- ☐ Linked enterprise

#### Data used to determine the category of enterprise

Calculated according to Article 6 of the Annex to the Commission Recommendation 2003/361/EC on the SME definition.

Reference period (*)		
Headcount (AWU)	Annual turnover (**)	Balance sheet total (**)

(\*) All data must be relating to the last approved accounting period and calculated on an annual basis. In the case of newly-established enterprises whose accounts have not yet been approved, the data to apply shall be derived from a reliable estimate made in the course of the financial year

(\*\*) EUR 1 000.

#### Important:

Compared to the previous accounting period there is a change regarding the data, which could result in a change of category of the applicant enterprise (micro, small, medium-sized or big enterprise).

☐ No

☐ Yes (in this case fill in and attach a declaration regarding the previous accounting period).

**Signature**

Name and position of the signatory, being authorised to represent the enterprise:

.....

I declare on my honour the accuracy of this declaration and of any annexes thereto.

Done at .....

Signature

## EXPLANATORY NOTE ON THE TYPES OF ENTERPRISES TAKEN INTO ACCOUNT FOR CALCULATING THE HEADCOUNT AND THE FINANCIAL AMOUNTS

### I. TYPES OF ENTERPRISES

The definition of an SME<sup>1</sup> distinguishes three types of enterprise, according to their relationship with other enterprises in terms of holdings of capital or voting rights or the right to exercise a dominant influence<sup>2</sup>.

#### ***Type 1: Autonomous Enterprise***

This is by far the most common type of enterprise.

It applies to all enterprises which are not one of the two other types of enterprise (partner or linked).

An applicant enterprise is autonomous if it:

- does not have a holding of 25%<sup>3</sup> or more in any other enterprise,
- and is not 25%<sup>3</sup> or more owned by any enterprise or public body or jointly by several linked enterprises or public bodies, apart from some exceptions<sup>4</sup>,
- and does not draw up consolidated accounts and is not included in the accounts of an enterprise which draws up consolidated accounts and is thus not a linked enterprise<sup>5</sup>.

<sup>1</sup> Henceforth in the text, the term "Definition" refers to the Annex to Commission Recommendation 2003/361/EC on the definition of SMEs.

<sup>2</sup> Definition, Article 3

<sup>3</sup> In terms of the share of the capital or voting rights, whichever is higher is applied. To this percentage should be added the holding in that same enterprise of each enterprise, which is linked to the holding company (Definition, Article 3 paragraph 2)

<sup>4</sup> An enterprise may continue being considered as autonomous when this 25% threshold is reached or exceeded, if that percentage is held by the following categories of investors (provided that those are not linked with the applicant enterprise):

- a) public investment corporations, venture capital companies, individuals or groups of individuals with a regular venture capital investment activity who invest equity capital in unquoted businesses ("business angels"), provided the total investment of those business angels in the same enterprise is less than EUR 1 250 000,
- b) universities or non-profit research centres,
- c) institutional investors, including regional development funds,
- d) autonomous local authorities with an annual budget of less than EUR 10 million and less than 5000 inhabitants.

(Definition, Article 3 paragraph 2, second sub-paragraph)

<sup>5</sup> - If the registered office of the enterprise is situated in a Member State which has provided for an exception to the requirement to draw up such accounts pursuant to the Seventh Council Directive 83/349/EEC of 13 June 1983, the enterprise should nevertheless check specifically whether it does not meet one or other of the conditions laid down in Article 3 paragraph 3 of the Definition.

- There are also some very rare cases in which an enterprise may be considered linked to another enterprise through a person or a group of natural persons acting jointly (Definition, Article 3 paragraph 3).

- Conversely, there are very few cases of enterprises drawing up consolidated accounts voluntarily, without being required to do so under the Seventh Directive. In that case, the enterprise is not necessarily linked and can consider itself only a partner.

To determine whether the enterprise is linked or not, in each of the three situations it should be checked whether or not the enterprise meets one or other of the conditions laid down in Article 3 paragraph 3 of the Definition, where applicable through a natural person or group of natural persons acting jointly.

**Type 2: Partner Enterprise**

This type represents the situation of enterprises which establish major financial partnerships with other enterprises, without the one exercising effective direct or indirect control over the other. Partners are enterprises which are not autonomous, but which are not linked to one another.

The applicant enterprise is a partner of another enterprise if:

- it has a holding or voting rights equal to or greater than 25% in the other enterprise, or the other enterprise has a holding or voting rights equal to or greater than 25% in the applicant enterprise,
- the enterprises are not linked enterprises within the meaning defined below, which means, among other things, that the voting rights of one in the other do not exceed 50%,
- and the applicant enterprise does not draw up consolidated accounts which include the other enterprise by consolidation, and is not included by consolidation in the accounts of the other enterprise or of an enterprise linked to it<sup>5</sup>.

**Type 3: Linked Enterprise**

This type corresponds to the economic situation of enterprises which form a group through the direct or indirect control of the majority of the voting rights (including through agreements or, in certain cases, through natural persons as shareholders), or through the ability to exercise a dominant influence on an enterprise. Such cases are thus less frequent than the two preceding types.

In order to avoid difficulties of interpretation for enterprises, the Commission has defined this type of enterprise by taking over – wherever they are suitable for the purposes of the Definition – the conditions set out in Article 1 of Council Directive 83/349/EEC on consolidated accounts<sup>6</sup>, which has been applied for many years.

An enterprise thus generally knows immediately that it is linked, since it is already required under that Directive to draw up consolidated accounts or is included by consolidation in the accounts of an enterprise which is required to draw up such consolidated accounts.

The only two cases, which are however not very frequent, in which an enterprise can be considered linked although it is not already required to draw up consolidated accounts, are described in the first two indents of endnote 5 of this explanatory note. In those cases, the enterprise should check whether it meets one or other of the conditions set out in Article 3 paragraph 3 of the Definition.

**II. THE HEADCOUNT AND THE ANNUAL WORK UNITS<sup>7</sup>**

The headcount of an enterprise corresponds to the number of annual work units (AWU).

**Who is included in the headcount?**

- The employees of the applicant enterprise,

<sup>6</sup> Seventh Council Directive 83/349/EEC of 13 June 1983, based on Article 54(3)(g) of the Treaty and concerning consolidated accounts (OJ L 193, 18/7/1983, p. 1), as last amended by Directive 2001/65/EC of the European Parliament and of the Council (OJ L 283, 27/10/01, p. 28).

<sup>7</sup> Definition, Article 5.



- persons working for the enterprise being subordinate to it and considered to be employees under national law,
- owner-managers,
- partners engaging in a regular activity in the enterprise and benefiting from financial advantages from the enterprise.

Apprentices or students engaged in vocational training with an apprenticeship or vocational training contract are not taken into account in the headcount.

**How is the headcount calculated?**

One AWU corresponds to one person who worked full-time in the enterprise in question or on its behalf during the entire reference year. The headcount is expressed in AWUs.

The work of persons, who did not work the entire year, or who worked part-time - regardless of its duration - and seasonal work is counted as fractions of AWU.

The duration of maternity or parental leaves is not counted.

## ANNEX TO THE DECLARATION CALCULATION FOR THE PARTNER OR LINKED TYPE OF ENTREPRISE

### Annexes to be enclosed if necessary

- Annex A if the applicant enterprise has at least one partner enterprise (and any additional sheets)
- Annex B if the applicant enterprise has at least one linked enterprise (and any additional sheets)

### Calculation for the partner or linked type of enterprise<sup>8</sup> (see explanatory note)

Reference period <sup>9</sup> :			
	Headcount (AWU)	Annual turnover (*)	Balance sheet total (*)
1. Data <sup>9</sup> of the applicant enterprise or consolidated accounts (copy data from box B(1) in annex B <sup>10</sup> )			
2. Proportionally aggregated data <sup>9</sup> of all partner enterprises (if any) (copy data from box A in annex A)			
3. Added up data <sup>9</sup> of all linked enterprises (if any) – if not included by consolidation in line 1 (copy data from box B(2) in annex B)			
<b>Total</b>			
(*) EUR 1 000.			

<sup>8</sup> Definition, Article 6 paragraphs 2 and 3

<sup>9</sup> All data must be relating to the last approved accounting period and calculated on an annual basis. In the case of newly-established enterprises whose accounts have not yet been approved, the data to apply shall be derived from a reliable estimate made in the course of the financial year (Definition, Article 4).

<sup>10</sup> The data of the enterprise, including the headcount, are determined on the basis of the accounts and other data of the enterprise or, where they exist, the consolidated accounts of the enterprise, or the consolidated accounts in which the enterprise is included through consolidation.

The data entered in the "Total" row of the above table should be entered in the box "Data used to determine the category of enterprise" in the declaration.

## ANNEX A - Partner enterprises

For each enterprise for which a 'partnership sheet' has been completed (one sheet for each partner enterprise of the applicant enterprise and for any partner enterprises of any linked enterprise, of which the data is not yet included in the consolidated accounts of that linked enterprise), the data in the 'partnership box' in question should be entered in the summary table below:

### BOX A

Partner enterprise (name / identification)	Headcount (AWU)	Annual turnover (*)	Balance sheet total (*)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
<b>Total</b>			

(\*) EUR 1 000.

(attach sheets or expand the present table, if necessary)

### Reminder:

This data is the result of a proportional calculation done on the 'partnership sheet' for each direct or indirect partner enterprise.

The data entered in the "Total" row of the above table should be entered in line 2 (regarding partner enterprises) of the table in the Annex to the declaration.

## PARTNERSHIP SHEET

### 1. Precise identification of the applicant enterprise

Name or Business name

.....

Address (of registered office)

.....

Registration/VAT number<sup>11</sup>

.....

Names and titles of the principal director(s)<sup>12</sup>

.....

### 2. Raw data regarding that partner enterprise

Reference period			
	Headcount (AWU)	Annual turnover (*)	Balance sheet total (*)
<b>Raw data</b>			
(*) EUR 1 000.			

**Reminder:** These raw data are derived from the accounts and other data of the partner enterprise, consolidated if they exist. To them are added 100% of the data of enterprises which are linked to this partner enterprise, unless the accounts data of those linked enterprises are already included through consolidation in the accounts of the partner enterprise<sup>13</sup>. If necessary, add “linkage sheets” for the enterprises which are not yet included through consolidation.

### 3. Proportional calculation

- a) Indicate precisely the holding<sup>14</sup> of the enterprise drawing up the declaration (or of the linked enterprise via which the relation to the partner enterprise is established) in the partner enterprise to which this sheet relates:

<sup>11</sup> To be determined by the Member State according to its needs

<sup>12</sup> Chairman (CEO), Director-General or equivalent.

<sup>13</sup> Definition, Article 6 paragraph 3, first sub-paragraph

<sup>14</sup> In terms of the share of the capital or voting rights, whichever is higher. To this holding should be added the holding of each linked enterprise in the same enterprise (Definition, Article 3 paragraph 2 first sub-paragraph).

.....  
 .....  
 Indicate also the holding of the partner enterprise to which this sheet relates in the enterprise drawing up the declaration (or in the linked enterprise):  
 .....  
 .....

- b) The higher of these two holding percentages should be applied to the raw data entered in the previous box. The results of this proportional calculation should be given in the following table:

**'Partnership box'**

Percentage:	Headcount (AWU)	Annual turnover (*)	Balance sheet total (*)
Proportional results			

(\*) EUR 1 000.

These data should be entered in Box A in Annex A.

## ANNEX B - Linked enterprises

### DETERMINE THE CASE APPLICABLE TO THE APPLICANT ENTERPRISE:

☐ **Case 1:** The applicant enterprise draws up consolidated accounts or is included by consolidation in the consolidated accounts of another enterprise. (Box B(1))

☐ **Case 2:** The applicant enterprise or one or more of the linked enterprises do not establish consolidated accounts or are not included in the consolidated accounts. (Box B(2)).

**Please note:** The data of the enterprises, which are linked to the applicant enterprise, are derived from their accounts and their other data, consolidated if they exist. To them are aggregated proportionally the data of any possible partner enterprise of that linked enterprise, situated immediately upstream or downstream from it, unless it has already been included through consolidation<sup>15</sup>.

### CALCULATION METHODS FOR EACH CASE:

**In case 1:** The consolidated accounts serve as the basis for the calculation. Fill in Box B(1) below.

#### Box B(1)

	Headcount (*)	Annual turnover (**)	Balance sheet total (**)
<b>Total</b>			

(\*) Where in the consolidated accounts no headcount data appears, the calculation of it is done by adding the data from the enterprises to which the enterprise in question is linked.

(\*\*) EUR 1 000.

The data entered in the "Total" row of the above table should be entered in line 1 of the table in the Annex to the declaration.

<sup>15</sup> Definition, Article 6 paragraph 3, second sub-paragraph

Identification of the enterprises included through consolidation			
Linked enterprise (name / identification)	Address (of registered office)	Registration / VAT number (*)	Names and titles of the principal director(s) (**)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
<b>Total</b>			

(\*) To be determined by the Member State according to its needs

(\*\*) Chairman (CEO), Director-General or equivalent.

**Important:** Partner enterprises of such a linked enterprise, which are not yet included through consolidation, are treated like direct partners of the applicant enterprise. Their data and a 'partnership sheet' should therefore be added in Annex A.

**In case 2:** For each linked enterprise (including links via other linked enterprises), complete a "linkage sheet" and simply add together the accounts of all the linked enterprises by filling in Box B(2) below.

#### Box B(2)

Enterprise No.:	Headcount (AWU)	Annual turnover (**)	Balance sheet total (**)
1. (*)			
2. (*)			
3. (*)			
<b>Total</b>			

(\*) attach one "linkage sheet" per enterprise

(\*\*) EUR 1 000.

The data entered in the "Total" row of the above table should be entered in line 3 (regarding linked enterprises) of the table in the Annex to the declaration.

#### LINKAGE SHEET

(only for linked enterprises not included by consolidation in Box B)

##### 1. Precise identification of the applicant enterprise

Name or Business name .....

Address (of registered office) .....

Registration/VAT number<sup>16</sup> .....

Names and titles of the principal director(s)<sup>17</sup> .....

## 2. Data on enterprise

Reference period			
	Headcount (AWU)	Annual turnover (*)	Balance sheet total (*)
<b>Total</b>			

(\*) EUR 1 000.

These data should be entered in Box B(2) in Annex B.

**Important:** The data of the enterprises, which are linked to the applicant enterprise, are derived from their accounts and their other data, consolidated if they exist. To them are aggregated proportionally the data of any possible partner enterprise of that linked enterprise, situated immediately upstream or downstream from it, unless it has already been included through consolidation<sup>18</sup>.

Such partner enterprises are treated like direct partner enterprises of the applicant enterprise. Their data and a 'partnership sheet' have therefore to be added in Annex A.

<sup>16</sup> To be determined by the Member State according to its needs

<sup>17</sup> Chairman (CEO), Director-General or equivalent.

<sup>18</sup> If the data of an enterprise are included in the consolidated accounts to a lesser proportion than the one determined under Article 6 paragraph 2, the percentage rate according to that article should be applied (Definition, Article 6 paragraph 3, second sub-paragraph).



## 12 Annex 6 - Bank Account Information

### ACCOUNT HOLDER INFORMATION

Account Name Holder The name or title under which the account has been opened and NOT the name of the authorized agent	
Holder's Address	
Postcode	
Town/City	
Country	

Contact Person It does not need to be an authorized agent	
Telephone	
Phone	

### BANK ACCOUNT INFORMATION

Bank Name	
Branch Address	
Postcode	
Town/City	
Country	
IBAN number / Account number Format example: ES76 2077 0024 0031 0257 5766	
SWIFT code 8 to 11 characters	

<b>BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE</b>	<b>DATE + SIGNATURE OF ACCOUNT HOLDER (OBLIGATORY)</b>
<p>The bank stamp + signature of bank representative can be substituted by the attachment of a recent bank statement (less than 2 months)</p>	

## 13 Annex 7 - Sub-grant Agreement Template

### Contracting parties

Bright Pixel (BRPX), established in LUGAR DO ESPIDO VIA NORTE EDIFICIO 1D, MAIA 4470 177, Portugal, VAT number: PT513885013, represented for the purposes of signing the Agreement by Celso Martinho, legal representative of BRPX.

Hereinafter referred as the “Contractor”

Of the one part,

[COMPANY\_NAME], an SME organized under the laws of [COUNTRY], established in [LEGAL\_ADDRESS], with VAT number [VAT\_NUMBER], duly represented by [LEGAL\_REPRESENTATIVE], [LEGAL\_REPRESENTATIVE\_POSITION],

Hereinafter referred as the “Beneficiary”

Hereinafter collectively referred as the “Contracting Parties”

HAVE AGREED to the following terms and conditions including those in the all Annexes of the applicable BlockStart Open Call, which form an integral part of this BLOCKSTART Open Call #1 Beneficiary Agreement (hereinafter referred as the “Contract”):

#### General Provisions

The Executive Agency for Small and Medium-sized Enterprises (EASME) (hereinafter referred as the “Agency”), under the powers delegated by the European Commission (hereinafter referred as the “EC”) and the Contractor, as a member of the BlockStart consortium, have signed the Grant Agreement No 828853 for the implementation of the project BLOCKSTART within the framework of the Programme H2020-INNOSUP-2018-2020/H2020-INNOSUP-2018-03.

The Beneficiary has received the favourable resolution by the external evaluators and therefore is entitled to receive funding and services according to the terms and conditions set out under this Beneficiary Agreement and in accordance with the Annex 2: Guidelines for Applicants.

This Contract aims at defining the framework of rights and obligations of the Contracting Parties.

The Funding received by the Beneficiary is property of the EC. The Contractor is mere holder and managers of the funds.

## Article 1 – Entry into force & Termination of the Contract

### 1.1 Entry into force

This Contract shall enter into force on the day of its signature by the last Contracting Party. The Contractor shall sign this Contract, only after all of the following documents have been received from the Beneficiary:

- The original signed Declaration of Honour (as given in Annex 4 of this Contract);
- SME Declaration form (as given in Annex 5 of this Contract);
- Copy of ID-card or Passport of legal representative(s) of the SME;
- Copy of the original Extract of SME registration;
- Proof of VAT registration;
- Bank Account Information (as given in Annex 6 of this Contract).

All documents shall be sent to the Contractor first via email to the following address: [hello@blockstart.eu](mailto:hello@blockstart.eu), while the Annexes 1, 2 and 3.1 of this Contract will also be sent as originals, via regular mail, to the following address:

*Bright Pixel (BlockStart Team)*

*Rua da Emenda 19*

*1200-169 Lisboa*

*Portugal*

The Beneficiary is solely responsible for the accuracy of all data provided to the Contractor.

### 1.2 Contract Termination

This Contract covers all three phases of BlockStart acceleration program, namely IDEATION KICK-OFF, PROTOTYPE and PILOT.

At the end of each of the aforementioned phases IDEATION KICK-OFF, PROTOTYPE and PILOT, an evaluation of the Beneficiary projects' progress will take place as fully described in Annex 2: Guidelines for Applicants.

In case the Beneficiary is not selected to enter the next phase, this Contract is automatically terminated, and the Beneficiary fully accepts that no additional payments due to said next phases will be made by the Contractor.

This Contract also terminates in the event of unjustified withdraw by the Beneficiary of the current fulfilment of its Contract obligations or breach of its contractual obligations under this Contract, including the corresponding Annexes of the relevant Open Call, in accordance with Article 3 of this Contract. "Unjustified withdraw" covers any situation out of "Force Majeure" qualification which determines the absence of performance of the Beneficiary contractual obligations. In this particular case, it entitles the Contractor the right to claim the Beneficiary the full refund of all payments made to the Beneficiary up to date.

Without prejudice of other termination situations, the Contractor may terminate the Contract, if:

- (a) a change to the legal, financial, technical, organisational or ownership situation of the Beneficiary is likely to substantially affect or delay the implementation of the action or calls into question the decision to award the grant;
- (b) implementation of the action is prevented by force majeure (as defined below) or suspended by the Contractor and either:
  - (i) resumption is impossible, or
  - (ii) the necessary changes to the Contract would call into question the decision awarding the grant or breach the principle of equal treatment of applicants;
- (c) the Beneficiary is declared bankrupt, being wound up, having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, or is subject to any other similar proceedings or procedures under national law;
- (d) the Beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has been found guilty of professional misconduct, proven by any means;
- (e) the Beneficiary does not comply with the applicable national law on taxes and social security;
- (f) the action has lost scientific or technological relevance;
- (g) the Beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed fraud, corruption, or is involved in a criminal organisation, money laundering or any other illegal activity;
- (h) the Beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed:
  - (i) substantial errors, irregularities or fraud or
  - (ii) serious breach of obligations under the Contract or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles);
- (i) the Beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU or Euratom 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.

Before terminating the Contract, the Contractor will formally notify the Beneficiary:

- informing it of its intention to terminate and the reasons why and
- inviting it, within 30 days of receiving notification, to submit observations and — in case of Point (h.ii) above — to inform the Contractor of the measures to ensure compliance with the obligations under the Contract.

If the Contractor does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify to the Beneficiary concerned confirmation of the termination and the date it will take effect, without prejudice of the right of the Contractor to claim the Beneficiary the full refund of all payments made to the Beneficiary up to date.

Otherwise, it will formally notify that the procedure is not continued.

## Article 2 – Obligations and Responsibilities of the Beneficiary

The obligations and responsibilities of the Beneficiary are defined in detail in the Annex 2 - Guidelines for Applicants. In particular, the Beneficiary is obliged to conduct its activities and actions hereunder in a responsible manner and complying with applicable legislation and European Union's Horizon 2020 rules and guidelines.

Additionally, the Beneficiary must take all measures to prevent any situation where the impartial and objective implementation of the actions under this Contract is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

In case the Beneficiary is involved in a situation constituting or likely to lead to a conflict of interest, the Beneficiary must formally notify this situation to the Contractor without delay and immediately take all the necessary steps to rectify this situation, without prejudice of the right of the Contractor to terminate this Contract with the right to claim the Beneficiary the full refund of all payments made to the Beneficiary up to date.

## Article 3 – Breach of Contractual obligations

In the event of a breach of the contractual obligations by the Beneficiary, the Contractor reserves the right to claim the Beneficiary the full refund of all payments made to the Beneficiary up to date and/or terminate this Contract in accordance, namely, with Article 1.2 above. The breach of the contractual obligations by the Beneficiary shall be determined by the BLOCKSTART Consortium or BLOCKSTART Project Coordinator.

Not attending the Event (unless in the case of Force Majeure as defined in Article 7 below) or attending the Event in a manner which intentionally disrupts the Event, shall be deemed as breach of the contractual obligations by the Beneficiary.

The provision of false or misleading declarations by the Beneficiary or any unsolved situation of conflict of interest also constitute examples of breach of contractual obligations by the Beneficiary.

**For British applicants:** Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project.

## Article 4 – Financial contribution and financial provisions

### 4.1 Maximum financial contribution

The maximum financial contribution to be granted by the Contractor to the Beneficiary shall not exceed the total amount of Twenty Thousand Euros (€20,000).

### 4.2. Distribution of the financial contribution

The financial contribution to be granted to the Beneficiary shall be calculated and distributed in accordance with the provisions of the Annex 2: Guidelines for Applicants.

In any case, the financial grant to be paid will always be subject to:

- A favourable resolution by the external evaluators and BlockStart project responsible for assessing the Project in each of the phases;
- Reception and acceptance of the relevant Financial Statement (F1, F2, F3 and F4) of the beneficiary;
- The Beneficiary Bank Account (Annex 6) matches the Financial Statement Bank Account;
- The availability of funds in CONTRACTOR bank account during the relevant payment period;
- Full compliance by Beneficiary of its obligations under this Contract;
- The Grant Agreement identified above being in place and applicable;
- Payments to the Beneficiary will be made by the Contractor. In particular:
  - The Contractor reserves the right to withhold the payments in case the Beneficiary does not fulfil with its obligations and tasks as per Annex 2 - Guidelines for Applicants and this Contract;
  - Banking and transaction costs charged by any of the banks related to the handling of any financial resources made available to the Beneficiary by the Treasurer shall be covered by the holder of the bank account which originated the cost. This means that the Contractor bears the cost of transfers charged by its bank and the Beneficiary bears the cost of transfers charged by its bank;
- Payments will be released no later than thirty (30) natural days after the notification by the Contractor;
- The Beneficiary is responsible for complying with any tax and legal obligations that might be attached to this financial contribution.

### 4.3. Payments schedule

The payment schedule is directly linked to the relevant phase of the Project as per the Guidelines for Applicants (Annex 2).

<i>Expected date of payment</i>	<i>Amount (in EURO)</i>	<i>Condition / Event</i>	<i>Linked Phase</i>
<b>April 2020</b>	1.000	Subject to participating at the BlockStart IDEATION KICK-OFF event, submitting project presentation slides and pitching proposal idea	Phase 1: IDEATION KICK-OFF

<b>August 2020</b>	15.000	Subject to successful review of Deliverable D1: Report (implementation, describing the system prototype that they have implemented and the results of the tests) & Business and Exploitation Plan	Phase 2: PROTOTYPE
<b>November 2020</b>	4.000	Subject to successful review of project presentation slides, participation at the Pilot of the product (TRL 7-8) & pitching of the solution at Demo Day event	Phase 3: PILOT

The Beneficiary is entitled to receive exclusively those payments allocated to each specific stage of the Project provided that the conditions under Article 4.2 are met.

## Article 5 – Liability of the Beneficiary

The Contractor, the Agency and/or the EC cannot be held liable for any damage caused to the Beneficiary as a consequence of implementing the Contract, including for gross negligence.

The Contractor, the Agency and/or the EC cannot be held liable for any damage caused by the Beneficiary, as a consequence of implementing the Contract.

Neither the Contractor nor the Agency and/or the EC can be held liable for any acts or omissions of the Beneficiary in relation to this Contract. At the same time, the Beneficiary is responsible for any act or omission that causes damage to the Contractor and/or the Agency and/or the EC in relation to this Contract.

Except in case of force majeure (as defined below under Article 7 of this Contract), the Beneficiary must compensate the Contractor, the Agency and/or the EC 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 Contract and its Annexes.

The Beneficiary shall bear sole responsibility for ensuring that their acts within the framework of this Contract do not infringe third parties' rights. There is no joint liability between the Contracting Parties.

## Article 6 – Confidentiality

With respect to all information of whatever nature or form as is disclosed between the Contracting Parties in connection with the Project, this Contract and corresponding actions and execution, identified in writing as confidential, the terms of this Article shall apply.

During implementation of the action under this Contract and for four years after the period set out in this Contract for the duration of the grant hereunder, the Contracting Parties must keep confidential any data, documents or other material (in any form) that is identified as confidential at the time it is disclosed ('**confidential information**').

If the Beneficiary requests, the Contractor may agree to keep such information confidential for an additional period beyond the initial four years.

If information has been identified as confidential only orally, it will be considered to be confidential only if this is confirmed in writing within 15 days of the oral disclosure.

Unless otherwise agreed between the Contracting Parties, they may use confidential information only to implement the Contract.

The Beneficiary may disclose confidential information to their personnel or third parties involved in the action only if they:

- (a) need to know to implement the Contract and
- (b) are bound by an obligation of confidentiality.

The Contractor may disclose confidential information to its staff other Consortium member, the Agency, the EC, and other EU institutions and bodies. It may disclose confidential information to third parties, if:

- (a) this is necessary to implement the Contract or safeguard the EU's 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 was already known by the recipient or is given to him without obligation of confidentiality by a third party that was not bound by any obligation of confidentiality;
- (c) the recipient proves that the information was developed without the use of confidential information;
- (d) the information becomes generally and publicly available, without breaching any confidentiality obligation, or
- (e) the disclosure of the information is required by EU or national law.

If the Beneficiary breaches any of its obligations under this Article, the grant may be reduced and the Contract or participation of the Beneficiary may be terminated, with the right of the Contractor to claim the Beneficiary the full refund of all payments made to the Beneficiary up to date.

## Article 7 – Force Majeure

“Force Majeure” shall mean any unforeseeable exceptional situation or event beyond the Contracting Parties control, which prevents either of them from fulfilling any of their obligations under the Agreement, which was not attributable to error or negligence on their part and which proves to be inevitable in spite of exercising all due diligence.

Any default of a service, defect in equipment or material or delays in making them available, unless they stem directly from a relevant case of force majeure, as well as labour disputes, strikes or financial difficulties cannot be invoked as force majeure.

The Contracting Parties shall take the necessary measures to limit any damage due to force majeure. They shall do their best to resume the implementation of the action as soon as possible.

No Contracting Party shall be considered to be in breach of its obligations and tasks if such breach is caused by Force Majeure. A Contracting Party will notify the other Contracting Party of any Force



Majeure as soon as possible. In case the Beneficiary is not able to overcome the consequences of Force Majeure within 10 (ten) days after such notification, the Contractor will decide accordingly including the termination of the Contract.

## Article 8 – Information and Communication - Promotion

Any publicity made by the Beneficiary in respect of the project, in whatever form and on or by whatever medium, must specify that it reflects only the author's views and that the Contractor, BLOCKSTART consortium or EC are not liable for any use that may be made of the information contained therein.

The Contractor, BLOCKSTART consortium and EC shall be authorized to publish, in whatever form and on or by whatever medium, the following information:

- the name of the Beneficiary;
- contact address of the Beneficiary;
- the general purpose of the project;
- the amount of the financial contribution of the EC.

The Beneficiary shall ensure that all necessary authorizations for such publication have been obtained and that the publication of the information by the Contractor, BLOCKSTART Consortium or EC does not infringe any rights of third parties.

Upon a duly substantiated request by the Contractor on behalf of the Beneficiary, the EC may agree to forego such publicity if disclosure of the information indicated above would risk compromising the beneficiary's security, academic or commercial interests.

The Beneficiary must promote the action and its results under this Contract, by providing targeted information to multiple audiences (including the media and the public) in a strategic and effective manner.

This does not change the confidentiality obligations under this Contract, all of which still apply.

Before engaging in a communication activity expected to have a major media impact, the Beneficiary must inform the Contractor.

Unless the Contractor requests or agrees otherwise or unless it is impossible, any communication activity related to the action (including in electronic form, via social media, etc.) and any infrastructure, equipment and major results funded by the grant must:

- (a) display the EU emblem and
- (b) include the following text:

For communication activities:

"This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 828853".

For infrastructure, equipment and major results:

“This [infrastructure][equipment][insert type of result] is part of a project that has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement No 828853”.

When displayed together with another logo, the EU emblem must have appropriate prominence. For the purposes of their obligations under this Article, the Beneficiary may use the EU emblem without first obtaining approval from the Contractor. This does not, however, give them the right to exclusive use.

Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

The Contractor, Agency and the Commission may use, for its communication and publicising activities, information relating to the action, documents notably summaries for publication and public deliverables as well as any other material, such as pictures or audio-visual material received from any beneficiary (including in electronic form).

This does not change the confidentiality obligations hereunder, all of which still apply.

If the said use of these materials, documents or information would risk compromising legitimate interests, the Beneficiary concerned may request the Contractor not to use it.

The right to use the Beneficiary’s materials, documents and information includes:

- (a) use for its own purposes (in particular, making them available to persons working for the Contractor, Agency, the EC or any other EU institution, body, office or agency or body or institutions in EU Member States; and copying or reproducing them in whole or in part, in unlimited numbers);
- (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 for communication and publicising activities (including shortening, summarising, inserting other elements (such as 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) giving access in response to individual requests under Regulation No 1049/2001<sup>27</sup>, without the right to reproduce or exploit;
- (f) storage in paper, electronic or other form;
- (g) archiving, in line with applicable document-management rules, and
- (h) the right to authorise third parties to act on its behalf or sub-license the modes of use set out in Points (b), (c), (d) and (f) to third parties if needed for the communication and publicising activities of the Contractor, Agency or the Commission.

If the right of use is subject to rights of a third party (including personnel of the Beneficiary), the Beneficiary must ensure that it complies with its obligations under this Contract (in particular, by obtaining the necessary approval from the third parties concerned).

Where applicable (and if provided by the Beneficiary), the Contractor, Agency or the Commission will insert the following information:

“© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the Executive Agency for Small and Medium-sized Enterprises (EASME) and the European Union (EU) under conditions.”

If the Beneficiary breaches any of its obligations under this Article, the grant may be reduced and this Contract may be terminated in accordance with Article 1.2 above.

## Article 9 – Data protection

### 9.1. Data protection obligations

The Contracting Parties have the obligation to abide by the Regulation (EU) 2016/679 (General Data Protection Regulation – GDPR) 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.

The processing of personal data shall be carried out lawfully, fairly and in a transparent manner, collected for specified purposes and adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed.

The Beneficiary will use and process the data only for the purposes of this Contract and during the length of the Contract. Any unauthorised use is forbidden. In any event, neither the Contractor nor the Data Provider will be held responsible for any abusive use of data incurred into by the Beneficiary.

The Beneficiary shall not try to re-identify anonymised data. In the event that re-identification occurs due to reasons not attributable to the Beneficiary, the Beneficiary commits not to use such data.

The Beneficiary shall delete, at the end of this Contract, the data (including personal data) to which the Beneficiary has been granted access during the incubation process, except where an agreement is entered into with the Data Provider.

### 9.2. New data produced

The Beneficiary acknowledges that he/she will be the “data controller” of any new dataset of piece of personal information that the Beneficiary may produce in the course of the BlockStart project, except if otherwise agreed between the Contracting Parties or resulting from the applicable laws on this matter.

## Article 10 – Financial audits and controls

The Agency and/or the EC may, at any time during the implementation of the Project and the activities under this Contract, and up to five years after the end of the BlockStart project (foreseen for 28 February 2022), arrange for financial audits to be carried out, by external auditors, or by the EC services themselves including the European Anti-Fraud office (OLAF), on the Beneficiary. The audit procedure shall be deemed to be initiated on the date of receipt of the relevant letter sent by the EC.

Such audits may cover financial, systemic and other aspects (such as accounting and management principles) relating to the proper execution of the Grant Agreement. They shall be carried out on a confidential basis.

The Beneficiary shall make available directly to the EC all detailed information and data that may be requested by the EC or any representative authorised by it, with a view to verifying that the Grant Agreement is properly managed and performed in accordance with its provisions and that costs have been charged in compliance with it. This information and data must be precise, complete and effective.

The Beneficiary shall keep the originals or, in exceptional cases, duly authenticated copies – including electronic copies - of all documents relating to the Contract until 2026. These shall be made available to the EC where requested during any audit under the Grant Agreement.

In order to carry out these audits, the Beneficiary shall ensure that the EC's services and any external body(ies) authorised by it have on-the-spot access at all reasonable times, notably to the Beneficiary's offices, to its computer data, to its accounting data and to all the information needed to carry out those audits, including information on individual salaries of persons involved in the project. They shall ensure that the information is readily available on the spot at the moment of the audit and, if so requested, that data be handed over in an appropriate form.

On the basis of the findings made during the financial audit, a provisional report shall be drawn up. It shall be sent by the EC or its authorised representative to the beneficiary concerned, which may make observations thereon within 1 month of receiving it. The EC may decide not to take into account observations conveyed or documents sent after that deadline. The final report shall be sent to the beneficiary concerned within 2 months of expiry of the aforesaid deadline.

On the basis of the conclusions of the audit, the EC shall take all appropriate measures which it considers necessary, including the issuing of recovery orders regarding all or part of the payments made by it and the application of any applicable sanction.

The European Court of Auditors shall have the same rights as the EC, notably right of access, for the purpose of checks and audits, without prejudice to its own rules. In addition, the EC may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the EC in order to protect the European Communities' financial interests against fraud and other irregularities.

### **Right to carry out checks**

The Agency or the EC will — during the implementation of the action or afterwards — check the proper implementation of the action and compliance with the obligations under the Contract, including assessing deliverables and reports.

For this purpose the Agency or the Commission may be assisted by external persons or bodies.

The Agency or the Commission may also request additional information in accordance with Article 17 of the above identified Grant Agreement.

The Agency or the Commission may request the Beneficiary to provide such information to it directly. Information provided must be accurate, precise and complete and in the format requested, including electronic format.

### **Right to carry out reviews**

The Agency or the Commission may — during the implementation of the action or afterwards — carry out reviews on the proper implementation of the action (including assessment of deliverables and reports), compliance with the obligations under the Contract and continued scientific or technological relevance of the action.

Reviews may be started up to two years after the payment of the balance. They will be formally notified to the Beneficiary concerned and will be considered to have started on the date of the formal notification.

If the review is carried out on a third party, the Beneficiary concerned must inform the third party.

The Agency or the Commission may carry out reviews directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the coordinator or beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The Beneficiary concerned must 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 Agency or the Commission may request beneficiaries to provide such information to it directly.

The Beneficiary concerned may be requested to participate in meetings, including with external experts.

For on-the-spot reviews, the Beneficiary must allow access to their sites and premises, including to external persons or bodies, 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 'review report' will be drawn up.

The Agency or the Commission will formally notify the review report to the Beneficiary concerned, which has 30 days to formally notify observations ('contradictory review procedure'). Reviews (including review reports) are in the language of the Contract.

### **Right to carry out audits**

The Agency or the Commission may — during the implementation of the action or afterwards — carry out audits on the proper implementation of the action and compliance with the obligations under the Contract.

Audits may be started up to two years after the payment of the balance. They will be formally notified to the Beneficiary concerned and will be considered to have started on the date of the formal notification.

If the audit is carried out on a third party, the Beneficiary concerned must inform the third party.

The Agency or the Commission may carry out audits directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the Beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The Beneficiary concerned must provide — within the deadline requested — any information (including complete accounts, individual salary statements or other personal data) to verify compliance with the Contract. The Agency or the Commission may request beneficiaries to provide such information to it directly.

For on-the-spot audits, the Beneficiary must allow access to their sites and premises, including to external persons or bodies, 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 Agency or the Commission will formally notify the draft audit report to the Beneficiary concerned, which has 30 days to formally notify observations ('contradictory audit procedure'). This period may be extended by the Agency or the Commission in justified cases.

The 'final audit report' will take into account observations by the Beneficiary concerned. The report will be formally notified to it. Audits (including audit reports) are in the language of the Agreement.

The Agency or the Commission may also access the beneficiaries' statutory records for the periodical assessment of unit costs or flat-rate amounts.

### **Investigations by the European Anti-Fraud Office (OLAF)**

Under Regulations No 883/201316 and No 2185/9617 (and in accordance with their provisions and procedures), the European Anti-Fraud Office (OLAF) may — at any moment during implementation of the action or afterwards — carry out investigations, including on-the-spot checks and inspections, to establish whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the EU.

### **Checks and audits by the European Court of Auditors (ECA)**

Under Article 287 of the Treaty on the Functioning of the European Union (TFEU) and Article 161 of the Financial Regulation No 966/201218, the European Court of Auditors (ECA) may — at any moment during implementation of the action or afterwards — carry out audits.

The ECA has the right of access for the purpose of checks and audits.

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

#### **Findings in this grant**

Findings in checks, reviews, audits or investigations carried out in the context of this grant may lead to the rejection of ineligible costs, reduction of the grant, recovery of undue amounts or to any of the other measures described in Chapter 6 of the said Grant Agreement.

Rejection of costs or reduction of the grant after the payment of the balance will lead to a revised final grant amount.

Findings in checks, reviews, audits or investigations may lead to a request for amendment for the modification of relevant contractual documentation.

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

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

### **Findings in other grants**

The Agency or the Commission may extend findings from other grants to this grant ('extension of findings from other grants to this grant'), if:

- (a) the Beneficiary concerned is found, in other EU or Euratom 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 — no later than two years after the payment of the balance of this grant.

The extension of findings may lead to the rejection of costs, reduction of the grant, recovery of undue amounts, suspension of payments, suspension of the action implementation or termination.

### **Procedure**

The Agency or the Commission will formally notify the Beneficiary concerned the systemic or recurrent errors and its intention to extend these audit findings, together with the list of grants affected.

If the findings concern eligibility of costs: the formal 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 by the Agency or the Commission 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.

The Beneficiary concerned has 90 days from receiving notification to submit observations, revised financial statements or to propose a duly substantiated alternative correction method. This period may be extended by the Agency or the Commission in justified cases.

The Agency or the Commission may then start a rejection procedure in accordance with Article 42 of the Grant Agreement above, on the basis of:

- the revised financial statements, if approved;
  - the proposed alternative correction method, if accepted
- or
- the initially notified correction rate for extrapolation, if it does not receive any observations or revised financial statements, does not accept the observations or the proposed alternative correction method or does not approve the revised financial statements.

If the findings concern substantial errors, irregularities or fraud or serious breach of obligations: the formal notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings and
- (b) the flat-rate the Agency or the Commission intends to apply according to the principle of proportionality.

The Beneficiary concerned has 90 days from receiving notification to submit observations or to propose a duly substantiated alternative flat-rate.

The Agency or the Commission may then start a reduction procedure in accordance with Article 43 of the said Grant Agreement, on the basis of:

- the proposed alternative flat-rate, if accepted
- or
- the initially notified flat-rate, if it does not receive any observations or does not accept the observations or the proposed alternative flat-rate.

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

If the Beneficiary breaches any of its obligations under this Article, any insufficiently substantiated costs will be ineligible and will be rejected. Such breaches may also lead to any of the other measures described in Chapter 6 of the Grant Agreement and under this Contract.

### **Evaluation of the impact of the action**

#### **Right to evaluate the impact of the action**

The Agency or the Commission may carry out interim and final evaluations of the impact of the action measured against the objective of the EU programme.



Evaluations may be started during implementation of the action and up to five years after the payment of the balance. The evaluation is considered to start on the date of the formal notification to the Beneficiary.

The Agency or the Commission may make these evaluations directly (using its own staff) or indirectly (using external bodies or persons it has authorised to do so).

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

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

If the Beneficiary breaches any of its obligations under this Evaluation obligations, the Agency may apply the measures described in Chapter 6 of the said Grant Agreement and the Contractor the ones stated hereunder.

## **Article 11 – Amendments**

Amendments or changes to this Contract shall be made in writing and signed by the duly authorized representative of the Contracting Parties. Nevertheless, In the event the EC modifies the conditions, the Contractor will amend the Contract accordingly.

## **Article 12 – Language**

This contract is drawn up in English, language which shall govern all documents, notices, meetings and processes relative thereto.

## **Article 13 – Applicable Law**

This Contract shall be construed in accordance with and governed by the laws of Belgium.

## **Article 14 – Settlement of disputes**

If the Contracting Parties are unable to resolve a dispute amicably, such dispute will be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators in Brussels.

Each of the Contracting Parties to the dispute shall appoint one (1) arbitrator and the three (3) arbitrators so appointed shall elect the presiding arbitrator. Should a Party to the dispute which should appoint an arbitrator fails to do so within fourteen (14) days of the delivery of the written notice to do so from the other Party to the dispute or should the appointed arbitrators fail to reach agreement on the presiding arbitrator within fourteen (14) days after their appointment, such arbitrator shall be appointed in accordance with the Rules upon request of any of the Parties to the dispute.

The seat of arbitration shall be Brussels.

The Contracting Parties agree that the language of the arbitration, including oral hearings, written evidence and correspondence, shall be English.

A duly rendered arbitration award shall be final and binding on the Contracting Parties to the dispute. Each Contracting Party to the arbitration conducted in accordance with this section hereof shall bear its own expenses incurred in connection with such arbitration, including fees of its legal counsels. All other costs and expenses shall be apportioned between the Contracting Parties to the arbitration in accordance with the decision of the arbitrators.

Nothing in this Contract shall limit the Contracting Parties right to seek injunctive relief or to enforce an arbitration award in any applicable competent court of law.

AS WITNESS:

The Contracting Parties have caused this Contract to be duly signed by the undersigned authorized representatives in three (3) copies:

For BRPX (the Contractor)

Mr Celso Martinho

CEO

Signature

Done at XXXXXX\_\_\_\_\_ on DD/MM/20YY

For [SME/Individual Entrepreneur\_NAME] (the Beneficiary)

Mr/Ms [NAME SURNAME]

[POSITION\_IN\_COMPANY]

Signature

Done at \_\_\_\_\_ on DD/MM/20YY

## 14 Annex 8 - Template for H2020 Financial Support to Third Parties

<b>Call title:</b>	<i>BlockStart Open Call #1 - Blockchain-based application proposals in the areas of fintech, ICT and retail</i>
<b>Full name of the EU funded project:</b>	<i>BlockStart - Helping SMEs take the first steps into the Blockchain</i>
<b>Project acronym:</b>	<i>BlockStart</i>
<b>Grant agreement number:</b>	<i>828853</i>
<b>Call publication date:</b>	<i>16 December 2019</i>
<b>Call deadline:</b>	<i>10 February 2020 at 17:00 (Brussels time)</i>
<b>Expected duration of participation:</b>	<i>6 months</i>
<b>Total EU funding available:</b>	<i>€265.000</i>
<b>Submission &amp; evaluation process:</b>	<p><i>The goal of BlockStart Open Call #1 is to engage DLT developers to develop or adapt their solutions to the needs of fintech, ICT and retail sectors.</i></p> <p><i>The Open Call will have 3 phases: IDEATION KICK-OFF (where 20 DLT developers and 10 SMEs will be engaged), PROTOTYPE (where the top 10 DLT developers from the Ideation Kick-Off will be developing or adapting solutions for our target sectors) and PILOT (where 5 DLT solutions will be matched with 20 pioneering SMEs). BlockStart will be facilitating the relationship and developing a mutually beneficial agreement for after the end of the pilot.</i></p> <p><i>The maximum amount of funding that each DLT developer may receive is €20.000; while an SME adopter may receive €4.500.</i></p> <p><i>Submissions are available via <a href="http://www.f6s.com/blockstart">www.f6s.com/blockstart</a></i></p>
<b>Further information:</b>	<i>Details available at <a href="http://www.blockstart.eu">www.blockstart.eu</a> and <a href="http://www.f6s.com/blockstart">www.f6s.com/blockstart</a></i>
<b>Task description:</b>	<p><i>BlockStart aims to provide competitive and market-oriented European SMEs access to knowledge, technology, capital and markets with the aim to place new products/services in the market targeting Blockchain technology.</i></p> <p><i>BlockStart aims to engage DLT developers to develop or adapt their solutions to the needs of key industry sectors in the EU dominated by SMEs. The following benefits to the main target groups are foreseen:</i></p> <ul style="list-style-type: none"> <li><i>• DLT developers - acceleration into product/market fit</i></li> <li><i>• SMEs - understanding how DLTs can benefit their business and obtaining tailor-made solutions</i></li> </ul>