

**COMMISSION OF THE EUROPEAN COMMUNITIES  
DIRECTORATE-GENERAL INFORMATION SOCIETY**

The IST Programme

**Cost reimbursement contract for research and technological development projects**

Future and Emerging Technologies

Action Line: IST-2001-6.1.1

**MOWGLI**

Mathematics On the Web: Get it by Logic and Interfaces

Contract Number IST-2001-33562

**CONTRACT No IST-2001-33562**

The European Community ("the Community"), represented by the Commission of the European Communities ("the Commission"), itself represented in view of the signature of this contract by Mr Robert Verrue, Director-General for Information Society or his duly authorised representative,

of the one part

and

- **ALMA MATER STUDIORUM - UNIVERSITA DI BOLOGNA (UNIBO)** ("the *coordinator*"), established in ITALY - VIA ZAMBONI 33, 40126 BOLOGNA, represented by its legal/statutory representative[s], PROF. LORENZO DONATIELLO, DEPARTMENT HEAD or his/her/their authorized representative[s],
- **INSTITUT NATIONAL DE RECHERCHE EN INFORMATIQUE ET EN AUTOMATIQUE (INRIA)**, established in FRANCE - DOMAINE DE VOLUCEAU, 78153 LE CHESNAY, represented by its legal/statutory representative[s], DR BERNARD LARROUTUROU, PRESIDENT and/or DR MICHEL COSNARD, PRESIDENT or his/her/their authorized representative[s],
- **DEUTSCHES FORSCHUNGSZENTRUM FUER KUENSTLICHE INTELLIGENZ GMBH (DFKI)**, established in GERMANY - ERWIN-SCHROEDINGER-STRASSE 1, 67663 KAISERSLAUTERN, represented by its legal/statutory representative[s], PROF. DR. WOLFGANG WAHLSTER, CEO and/or DR. WALTER OLTHOFF, CFO or his/her/their authorized representative[s],
- **KATHOLIEKE UNIVERSITEIT NIJMEGEN (KUN)**, established in THE NETHERLANDS - COMENIUSLAAN 2, 6500 HC NIJMEGEN, represented by its legal/statutory representative[s], PROF. DR. F.W. VAANDRAGER, DEAN OF THE SUBFACULTY OF INFORMATICS and/or PROF. DR. S.E. WENDELAAR BONGA, DEAN OF THE FACULTY OF SCIENCE, MATHEMATICS AND INFORMATICS or his/her/their authorized representative[s],
- **MAX-PLANCK GESELLSCHAFT ZUR FOERDERUNG DER WISSENSCHAFTEN E.V. (MPQ)**, established in GERMANY - HOFGARTENSTRASSE 8, 80539 MUENCHEN, represented by its legal/statutory representative[s], MRS. CHRISTIANE ROOS, HEAD OF ADMINISTRATION and/or DR. ELKE MUELLER, SCIENTIFIC COORDINATOR or his/her/their authorized representative[s],
- **TRUSTED LOGIC (TRUSTED LOGIC)**, established in FRANCE - 5, RUE DU BAILLIAGE, 78000 VERSAILLES, represented by its legal/statutory representative[s], DR DOMINIQUE BOLIGNANO, CEO or his/her/their authorized representative[s],

(collectively "*the principal contractors*"),

of the other part,

(collectively "*the contracting parties*"<sup>2</sup>)

HAVE AGREED to a project called "**Mathematics On the Web: Get it by Logic and Interfaces**" to be carried out in the framework of the specific programme for research, technological development and demonstration on a user-friendly information society (1998-2002), (the "IST Programme") (the "specific programme") according to the following provisions.

### **Article 1 - Scope**

The *contractors*<sup>1</sup> shall carry out the work set out in Annex I to this contract **up to the milestones specified in Annex I("the project")** in accordance with the conditions set out in this contract.

Subject to cases of *force majeure*, the *principal contractors* shall use reasonable endeavours to achieve the results aimed at by the *project* and shall carry it out jointly and severally vis-à-vis the Community. The *assistant contractors* shall use reasonable endeavours to carry out the part of the *project* specifically assigned to them.

### **Article 2 - Duration**

1. The *duration of the project* shall be **30** months from **the first day of the month after the last signature of the contracting parties**.
2. This contract shall enter into force following its signature by all the *contracting parties*.

This contract shall be completed on the date of the final payment of the Community's financial contribution. However,

- Articles 5, 6 and 8 of this contract,
- Article 2(1), first subparagraph, points (a), (d), (e) and (f), Article 2(2) (c), (d), (h) and (j), Article 3(4) and (5), Article 4(5), Article 6, Articles 9 to 21 and Articles 25, 26 and 28 of Annex II to this contract

shall continue to apply after that date to the extent of any limitations specified in those Articles.

### **Article 3 - Estimated costs and maximum financial contribution of the Community**

1. The total estimated *eligible costs* of the *project* are EUR **1,223,965** (ONE MILLION TWO HUNDRED TWENTY-THREE THOUSAND NINE HUNDRED SIXTY-FIVE euro).

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<sup>1</sup> The terms in italics are used in accordance with the definition given in Article 1 of Annex II to this contract.

2. The Community shall fund the *eligible costs* of the *project* in accordance with the table of the indicative breakdown of the estimated *eligible costs* which follows the signatures to this contract up to a maximum of EUR **979,000** (NINE HUNDRED SEVENTY-NINE THOUSAND euro).
3. The Community's financial contribution to the *project* shall be paid as specified in Article 3 of Annex II to this contract to the *coordinator's* following bank account:

Beneficiary name : **DIP DI SCIENZE DELL INFORMAZIONE**  
Bank : **ROLO BANCA 1473 S.P.A.**  
Address : **12. 5 D, VIA IRNERIO**  
**BOLOGNA**  
**ITALY**  
Account Number : 035560243451321  
Payment Reference .....IST-2001-33562

The initial advance for the *project* is fixed at EUR **391,600** (THREE HUNDRED NINETY-ONE THOUSAND SIX HUNDRED euro). It is distributed among the *contractors* in accordance with the indications laid down in the table of the indicative breakdown of the estimated *eligible costs*.

The total amount of the initial advance and the periodic payments shall not exceed the maximum amount of the Community's financial contribution referred to in paragraph 2 of this Article, less a guarantee retention. The guarantee retention shall be 15% of the maximum amount of that contribution.

#### **Article 4 – *Project deliverables* and summary statements of amounts transferred by the *coordinator* to be submitted to the Commission**

1. **3** copies of the reports and of the cost statements required under this contract shall be submitted by the *coordinator* in accordance with Article 4 of Annex II to this contract. The reports shall be in **English**.

Annex I to this contract shall determine the number of copies and the language of drafting of the other *project deliverables*.

2. The periodic and final reports, the corresponding cost statements, including each integrated cost statement, as well as each summary statement of amounts transferred to the *contractors* by the *coordinator* shall cover successive periods of **12** months from the *project commencement date*.

Where the work is completed before the end of the *duration of the project*, the final report(s) and the corresponding cost statements, including the integrated cost statement, as well as the summary statement of amounts transferred to the *contractors* by the *coordinator* shall cover the period ending on such date.

However, and without prejudice to the first or second subparagraph of this paragraph, the last cost statement of the *coordinator* and integrated cost statement shall also cover the period necessary for the drafting of the final report(s) within the maximum time limit of two months as of the end of the *duration of the project*.

The other *project deliverables*, except the *technological implementation plan*, shall cover the periods set out in Annex I to this contract.

The *technological implementation plan* shall cover the results of work performed within the *duration of the project* or until the work is completed if such completion occurs at an earlier date.

### Article 5 - Applicable law and jurisdiction

1. The law of **BELGIUM** shall govern this contract.
2. The Court of First Instance of the European Communities and, in the case of an appeal, the Court of Justice of the European Communities shall have sole jurisdiction to hear any disputes between the Community, on the one hand, and the *contractors*, on the other hand, as regards the validity, the application or any interpretation of this contract.

### Article 6 - Special conditions

In addition to the special conditions set out in Annex III, the following special conditions shall apply to this contract:

- 6.1 On the date of signature of this contract, "*Associated States*" means Bulgaria, the Czech Republic, the Republic of Cyprus, Estonia, Hungary, Iceland, Israel, Latvia, Liechtenstein, Lithuania, Norway, Poland, Romania, Slovakia and Slovenia.

Subject to its final conclusion, the Association Agreement signed with the Swiss Confederation is expected to enter into force on 1 January 2001.

- 6.2 Insert at the end of Article 3(2) of this contract: "Where the *eligible costs* of the *project* are lower than the total estimated *eligible costs* of the *project*, the financial contribution from the Community shall be limited to the sum calculated by application of the rates of financial participation set in the table of indicative breakdown of the estimated *eligible costs* which follows the signatures to this contract."
- 6.3 The second sentence of the second subparagraph of Article 3(1) point (b) of Annex II to this contract shall be replaced by the following: "When each periodic payment is made, an amount equivalent to the percentage of the total Community contribution paid as the initial advance shall be retained."
- 6.4 Notwithstanding the second sentence of the first subparagraph of Article 5(1) of Annex II to this contract, no coordination tasks may be subcontracted under this contract.
- 6.5 The following is added to Article 6 of Annex II to this contract: "The *contractors* shall bear sole responsibility for assessing that the use of acronyms within the framework of this contract, including but not limited to the acronyms of the *project*, does not infringe existing trademarks, registered patents and other similar rights."
- 6.6 Where a *contractor* having successfully fulfilled its obligations withdraws from the *project* before the termination date of the contract, in accordance with either the provision of Annex I or with Article 7(2) point (b) of Annex II to this contract, the final payment to this *contractor* shall include the guarantee retention as specified under

Article 3(3) of this contract.

- 6.7 The *access rights* granted under Articles 13 and 14 of Annex II to this contract in respect of *knowledge* in the form of software shall include the right for the beneficiary to grant the sublicenses required due to amalgamation and incorporation of the software with the beneficiary's own *knowledge* for its products or processes.
- 6.8 Insert at the end of Article 23(7) of Annex II to this contract: "The costs of protection of the *knowledge* and of measures to demonstrate the potential for *exploitation* of the *knowledge* shall also exclude the costs of creating and marketing a product and process and the costs of creating and providing a service."
- 6.9 The following is added to Article 4 of Annex II to the contract :

"The first periodic cost statement shall be accompanied by an audit certificate in all cases where the *eligible costs* declared by the *contractor* exceed EUR 250,000 in the case of a cost statement covering a first period of 12 months, or EUR 125,000 in the case of a cost statement covering a first period of 6 months.

The cost statement for the final period shall be accompanied by an audit certificate covering all the periodic cost statements and the cost statement for the final period, in all cases where the total *eligible costs* declared by the *contractor* exceed EUR 250,000.

These audit certificates must be issued and certified by independent and qualified auditors approved by the competent authorities of the country of legal residence of the *contractor* to carry out statutory financial audits in accordance with the relevant national legislation and, where applicable, in compliance with the Eighth Council Directive 84/253/EEC of 10 April 1984.

In case a *contractor* is not in a position to provide an audit certificate by such an independent and qualified auditor as a result of restrictions in its statutes or under national legislation, no audit certificate will be required.

Where the audit certificate covering the first periodic cost statement is qualified, the Commission reserves the right to withhold part, or exceptionally, all of the payment of the Community's financial contribution until the period covered by the next cost statement in case of failure of the *contractor* to submit, within the time limits laid down in paragraph 3 of this Article, an unqualified audit certificate or an audit certificate incorporating qualifications acceptable to the Commission.

Where the audit certificate covering all periodic cost statements and the cost statement for the final period is qualified, the Commission may decide not to make the payment corresponding to the costs incurred during the final period or may require reimbursement of part, or exceptionally, all of the Community's financial contribution in case of failure of the *contractor* to submit, within the time limits laid down in paragraph 3 of this Article, an unqualified audit certificate or an audit certificate incorporating qualifications acceptable to the Commission, subject to two month's written notice of non-receipt of that document.

These audit certificates shall be drawn up in accordance with the provisions laid down in Annex IV - "Special conditions for audit certificates" to this contract."

6.10 The first subparagraph of Article 3(4) of Annex II to the contract shall be replaced by the following:

"Where the total financial contribution due from the Community, taking into account any adjustments, including as a result of a financial audit as referred to in Article 26 of this Annex or as a result of the absence of an audit certificate or as a result of an audit certificate incorporating qualifications non acceptable to the Commission as referred to in Articles 4 and 22 of this Annex, is less than the total amount of the payments referred to in paragraph 1, first subparagraph, of this Article, the *contractors* concerned shall reimburse the difference, in euro, within the time limit set by the Commission in its request sent by registered letter with acknowledgement of receipt."

6.11 The following is added to Article 22 of Annex II to the contract :

"In all cases where a certification in an audit certificate is required under Article 4 of this Annex, costs for which there is no such certification shall not be considered as *eligible costs*."

6.12 The following text is added to the end of the second sentence of the first subparagraph of Article 23(8) of Annex II to the contract : "....., or in providing the audit certificates required under the provisions of Article 4 of this Annex. The Community's financial contribution in respect of the costs incurred for the audit certificate shall not exceed EUR 4,000 per audit certificate."

6.13 The final sentence of the last subparagraph of Article 3(3) of this contract shall be replaced by the following : "The guarantee retention shall be 20% of the maximum amount of that contribution."

6.14 The following is added to the first paragraph of Article 8 of the contract :

"Annex IV - Special conditions for audit certificates"

6.15 The third paragraph of Article 8 of the contract shall be replaced by the following:

"The special conditions set out in Article 6 of and Annex III - "Special conditions for the IST Programme" and Annex IV - "Special conditions for audit certificates" to this contract shall take precedence over any other provisions."

## Article 7 - Amendments

This contract, including the Annexes thereto, may be modified only in writing, by way of an amendment between the authorised representatives of the *contracting parties*. No verbal agreement may be binding on the *contracting parties* for this purpose.

Any request for amendment must be received by the Commission at least two months before the expiry of the *duration of the project*.

## Article 8 - Final provisions

1. The following annexes are an integral part of this contract:

Annex I - Description of work

Annex II - General conditions

Annex III - Special conditions for the IST Programme

Annex IV - Special conditions for audit certificates

2. In the event of any conflict between Annex I and any other provision of this contract, the latter shall take precedence.
3. The special conditions set out in Article 6 of and Annex III to this contract shall take precedence over any other provisions.

### **Article 9 - Signature and language of the contract**

Two copies of the contract in **English** shall be signed by the *contracting parties* and only that language version shall be authentic.

Done at Brussels,



On behalf of: **ALMA MATER STUDIORUM - UNIVERSITA DI BOLOGNA (UNIBO)**  
Name: PROF. LORENZO DONATIELLO  
Title: DEPARTMENT HEAD

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

On behalf of: **INSTITUT NATIONAL DE RECHERCHE EN INFORMATIQUE ET  
EN AUTOMATIQUE (INRIA)**

Name: DR BERNARD LARROUTUROU

Title: PRESIDENT

Signature:

Name: DR MICHEL COSNARD

Title: PRESIDENT

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

On behalf of: **DEUTSCHES FORSCHUNGSZENTRUM FUER KUENSTLICHE  
INTELLIGENZ GMBH (DFKI)**

Name: PROF. DR. WOLFGANG WAHLSTER

Title: CEO

Signature:

Name: DR. WALTER OLTHOFF

Title: CFO

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

On behalf of: **KATHOLIEKE UNIVERSITEIT NIJMEGEN (KUN)**  
Name: PROF. DR. F.W. VAANDRAGER  
Title: DEAN OF THE SUBFACULTY OF INFORMATICS

Signature:

Name: PROF. DR. S.E. WENDELAAR BONGA  
Title: DEAN OF THE FACULTY OF SCIENCE, MATHEMATICS AND  
INFORMATICS

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

On behalf of: **MAX-PLANCK GESELLSCHAFT ZUR FOERDERUNG DER  
WISSENSCHAFTEN E.V. (MPQ)**

Name: MRS. CHRISTIANE ROOS

Title: HEAD OF ADMINISTRATION

Signature:

Name: DR. ELKE MUELLER

Title: SCIENTIFIC *COORDINATOR*

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

On behalf of: **TRUSTED LOGIC (TRUSTED LOGIC)**  
Name: DR DOMINIQUE BOLIGNANO  
Title: CEO

Signature:

(stamp of the organisation)

On behalf of the **Commission:**

Name: (written out in full)

Title:

Signature:

Date:

**Table - Advance and  
Indicative Breakdown of Estimated Eligible Costs**

<b>Project Acronym</b>	<b>MOWGLI</b>	<b>Contract No</b>	<b>IST-2001-33562</b>
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Participant Roles (1)	Participant No	Assistant to Participant No	Participant Short Name (2)	Personnel	Travel and subsistence	Durable equipment	Other specific costs	Overheads	Subcontracting	Computing	Subtotal part 1
CO	1		UNIBO	72.015	18.597	10.000	13.750	22.873	0	0	137.235
			Coordination	14.652	5.000	0	0	3.930		0	23.582
			Total Coordinator costs	86.667	23.597	10.000	13.750	26.803	0	0	160.817
CR	2		INRIA	119.235	21.696	0	9.425	201.000	0	0	351.356
CR	3		DFKI	150.168	28.000	1.736	0	35.981	0	0	215.885
CR	4		KUN	98.794	25.000	0	0	24.759	0	0	148.553
CR	5		MPQ	144.984	27.200	0	1.800	34.797	0	0	208.781
CR	6		TRUSTED LOGIC	71.985	7.500	0	1.500	57.588	0	0	138.573
Total				671.833	132.993	11.736	26.475	380.928			1.223.965

**1. Participant Role Codes**

CO = Coordinator  
AC = Assistant Contractor

CR = Principal Contractor  
CS = Scientific Coordinator

**2. Coordination** = Administrative and financial coordination costs only

**3. All amounts are in euro**

**4. Financial Participation Codes :**

FC = Full Cost - actual overheads  
FF = Full Costs - flat-rate overheads  
AC = Additional Costs

**Table - Advance and  
Indicative Breakdown of Estimated Eligible Costs**

<b>Project Acronym</b>	<b>MOWGLI</b>	<b>Contract No</b>	<b>IST-2001-33562</b>
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Participant Roles (1)	Participant No	Assistant to Participant No	Participant Short Name (2)	Subtotal of part 1	Consumables	Protection of knowledge	Total of Estimated Eligible Costs (3)	Type of Financial Participation (4)	Maximum Community Contribution	Advance payment	Rate of Financial Participation
CO	1		UNIBO	137.235	0	0	137.235	AC	137.235		100,00%
			Coordination	23.582	0	0	23.582		23.582		100,00%
			Total Coordinator costs	160.817	0	0	160.817		160.817	64.326	100,00%
CR	2		INRIA	351.356	0	0	351.356	FC	175.678	70.271	50,00%
CR	3		DFKI	215.885	0	0	215.885	AC	215.885	86.355	100,00%
CR	4		KUN	148.553	0	0	148.553	AC	148.553	59.421	100,00%
CR	5		MPQ	208.781	0	0	208.781	AC	208.781	83.513	100,00%
CR	6		TRUSTED LOGIC	138.573	0	0	138.573	FF	69.286	27.714	50,00%
Total				1.223.965			1.223.965		979.000	391.600	79,99%

**1. Participant Role Codes**

CO = Coordinator

AC = Assistant Contractor

CR = Principal Contractor

CS = Scientific Coordinator

**2. Coordination** = Administrative and financial coordination costs only

**3. All amounts are in euro**

**4. Financial Participation Codes :**

FC = Full Cost - actual overheads

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