



GENERAL TERMS AND CONDITIONS

1. The grant award relationship

1.1. The content of the grant award relationship

The Hungary Helps Agency Nonprofit Private Ltd (hereinafter referred to as the "Agency") will notify the Beneficiary of the start of grant award procedure upon receipt of decision proposal of the State Secretary of State Secretariat for Persecuted Christians of the Ministry for Foreign Affairs and Trade. Grant will be provided to the Beneficiary from the Agency by issuing either a grant award document or by concluding a support contract.

1.1.1. Grant award document

The Agency will send the draft grant award document to the Beneficiary by electronic means (e-mail). The Beneficiary shall check if its data recorded in the draft grant award document are correct (name of the representative, registered headquarters, VAT number, bank account number, SWIFT code, etc.). In case any of the data needs to be amended, the Beneficiary shall send the document, certificate or other attachment proving need for amendment to the Agency within 15 (fifteen) days, so that the Agency's staff can verify such data and issue the grant award document containing the updated data. The Agency shall sign the grant award document after coordination with the Beneficiary and shall send the signed grant award document to the Beneficiary by post.

1.1.2. Support contract

The Agency will send the draft support contract to the Beneficiary by electronic means (e-mail). The Beneficiary shall check its data recorded in the draft support contract are correct (name of the representative, registered headquarters, VAT number, bank account number, SWIFT code, etc.). In case any of the data needs to be amended, the Beneficiary shall send the document, certificate or other attachment proving need for amendment to the Agency within 15 (fifteen) days, so that the Agency's staff can verify such data and issue the support contract containing the updated data.

The Beneficiary shall ensure the support contract be signed in due form, as specified in section 1.2, within 15 (fifteen) days after receipt of the finalized support contract.

1.2. Signature of the support contract by the Beneficiary

The support contract shall be signed in 3 (three) copies by the legal representative of the Beneficiary, whose signature shall be in blue pen, with the company seal affixed, and whose specimen signature is included in the Specimen of Signature. In case of signing by proxy, the Beneficiary must attach a Power of Attorney.

Formal requirements for Power of Attorney:

- two witnesses certify that the person(s) signing the Power of Attorney signed the document in their presence or acknowledged their signature(s) as their own signature; the witnesses must sign the Power of Attorney with their name and address (or place of residence) legibly indicated; or
- the signature(s) of the signatory(s) on the Power of Attorney are authenticated by a judge, a notary public or a consul working at a Hungarian diplomatic mission; or
- a lawyer or a Bar counsel proves, by duly countersigning the document drawn up by him/her, that the signatory to the document signed it in his/her presence or acknowledged that he/she had signed it in his/her own hand; or
- the signatory provides an electronic document with an electronic signature with the level of authenticity specified by law (e.g. a qualified signature or an advanced electronic signature based on a qualified certificate).

If a Power of Attorney is attached, the Beneficiary must also attach the Specimen of Signature of both the Principal and the Proxy named on the Power of Attorney, and return the signed support contract to the Agency together with the Annexes required for the support contract to enter into force (e.g. bank account certificate issued by the account-keeping bank, Specimen of Signature).

1.3. Request to remedy deficiencies to the support contract

The Agency will examine the support contract signed by the Beneficiary and, if the contract or its Annexes are incomplete, will send an e-mail to the Beneficiary with a request to remedy the deficiencies. If the Beneficiary fails to remedy the deficiencies within 15 (fifteen) days from the date of receipt of the request, the grant relationship shall not be established and the grant decision shall lose effect.

1.4. Conclusion of the support contract

The support contract is concluded by the signature of the Beneficiary and the Agency. The Agency shall send a copy of the signed support contract to the Beneficiary.

1.5. Payment of the grant

1.5.1. Conditions for payment of the grant:

- a) the grant relationship being established (based on the notification of the grant award document or the signature of the support contract by the Parties); and
- b) the security provided by the Beneficiary has been accepted by the Agency and it is available; and
- c) in the case of a mortgage-backed security (except as provided for in the grant award document / support contract), the mortgage has been registered in the Land Register and the Beneficiary has taken out and provided evidence of the conclusion of property insurance for the subject of the mortgage, unless the subject of the mortgage is a plot or if the Agency has waived the obligation to take out property insurance in the grant award document / support contract; and
- d) there are no other grounds for refusing to pay the grant that are specified by law or in these General Terms and Conditions (hereinafter referred to as "GTC").

If the conditions for payment of the grant are met, the Agency will initiate the transfer of the grant amount to the bank account specified by the Beneficiary within the deadline set out in the grant award document / support contract. If the Beneficiary has not yet submitted any of its previous accounts due - financial and professional reports – to the Agency, the grant will be paid only after the submission of such documents. Furthermore, the grant can only be paid if the Beneficiary has no outstanding debts toward the Agency.

1.5.2. Other provisions on payment of the grant

The Agency shall only initiate HUF based transfers, which may be settled in the currency accepted by the Hungarian State Treasury (hereinafter referred to as "MÁK"). For Beneficiaries not having their registered headquarters or branch office in Hungary, the amount of the grant can be transferred only after the Beneficiary's international bank account number (IBAN) and the bank's SWIFT code have been confirmed by the bank that holds the account. The Beneficiary confirms that its bank account provided to the Agency is able to accept at least one of the following currencies: AUD, CAD, CHF, CZK, DKK, EUR, GBP, HUF, JPY, NOK, PLN, USD. The Agency needs to make sure the availability of the Beneficiary's bank account for the payment of the grant during the data reconciliation prior to the signature of the grant award document / support contract, at the latest. The payment of the grant will be suspended if, after the signature of the grant award document or the support contract, the Beneficiary makes

a declaration or the Agency becomes aware of circumstances that may require withdrawal of the grant, cancellation of or withdrawal from the support contract. The Agency will inform the Beneficiary of the suspension and the reason for it.

2. Information to the public

On its own publications, website and on all appearances, brochures, information to the public, publications, books, advertising and PR materials related to the activity supported, as well as on the property, equipment, events financed from the grant and other related reports, the Beneficiary shall inform the general public concerned of the purpose of the grant that the activity supported has been carried out with the grant of the Hungary Helps Agency, by clearly and visibly displaying the "Hungary Helps" trademark and the wording "Realized with the support of Hungary Helps Agency". The rules set out in the Annex to MK Decree No. 3/2017 (XI. 10.) on the uniform formal requirements and visual elements of the Hungary Helps Program and on the use of the Hungary Helps trademark shall be applied.

3. Amendment to the grant award document, respectively the support contract

If the Beneficiary has a request for amendment of the grant award document / support contract, the Beneficiary must submit a written request to the Agency for the amendment, stating the reasons and attaching the supporting documents, no later than 15 days before the expiry of the deadline for implementation of the supported project. The request for amendment shall be sent to the Agency by e-mail.

4. Eligible costs under the grant by category

4.1. Preparation costs

4.1.1. Project preparation costs

The following costs are eligible if they are strictly necessary for the preparation of the project and are duly justified:

- costs of preliminary studies, e.g. feasibility study, business plan, cost-benefit analysis, impact assessment, impact study, needs assessment, situation analysis, target group analysis, market research, other necessary background studies, expert opinions and, where appropriate, their revision;
- costs of the preliminary survey work for site preparation;
- costs of the necessary permits, construction documents, tender documents, other technical plans and their official fees, as well as costs of any necessary amendments;
- costs of public procurement procedures;
- costs related to prior PR activities and mandatory publicity.

4.1.2. Acquisition of real estate and property rights attached to real estate

Cost of acquiring real estate or easement are eligible under the following conditions:

- if the acquisition of ownership / easement is essential for the effective implementation of the project, and
- prior to the purchase, a certificate must be obtained from an independent appraiser confirming that the purchase price does not exceed the market value of the real estate / easement concerned; if the certificate states that the purchase price exceeds the market price, the price determined by the independent appraiser shall be the basis for the eligible costs.

Eligible costs are deemed those related to the acquisition of real estate and property right attached to real estate (including lawyers' fees, costs of valuation and registration into the Land Register).

4.2. Implementation costs

4.2.1. Construction (new construction, conversion, extension, renovation) costs

Costs of construction (new construction, conversion, extension, renovation), and costs of implementation of a building, facility or structure may be planned if they are necessary for the implementation of the project, i.e. the value-adding costs of construction, extension and renovation of buildings, structures and other real estate to which the supported activities can be linked.

Construction costs shall be deemed to mean costs of the following activities enabling the proper and safe use and enjoyment of a building or real estate:

- complex site preparation, site remediation: archaeological excavation, wall conservation, other heritage protection activities, eradication works, environmental remediation, munitions clearance, recultivation, landscaping, soil work,
- demolition,
- restoration, reconstruction,
- renovation,
- conversion,
- expansion,
- construction,
- technological installation (mechanical, electrical, etc.),
- trial run,
- related utility construction, reconstruction and renovation (drinking water, industrial water, fire water, sewage, storm water and urban drainage, gas mains, heating, electricity, street lighting, telephone, internet, security and protection electronics, etc.),
- landscaping, park construction, planting, green space development.

The Beneficiary may directly account for construction material costs if the construction contract for the concerned work phase (project element) only includes labour costs, or if the materials used are listed in detail in the construction contract and do not include the material cost items to be directly accounted for.

4.2.2. Costs of equipment purchases

Costs for purchase of tangible assets, materials and supplies directly linked to the eligible activities specified in the grant award document / support contract are eligible. The purchase and installation of new machinery (first installation), vehicles, technological equipment, equipment, tools and materials, purchased commercially or from a manufacturer are eligible, for which - for assets with an individual value exceeding HUF 100,000 - the Grantee has the necessary documents issued by the manufacturer and/or distributor, which are authentic and valid for the enforcement of the product liability, warranty and guarantee rights starting from the date of the purchase (invoicing date).

Costs for purchase of second-hand assets are eligible where justified, subject to the following conditions:

- if purchase of a new equipment is not justified or not feasible,
- if the seller of the asset proves the origin of that by means of an invoice or a sales contract,
- if the value of the asset is below the market value of a new asset of a similar purpose.

4.2.3. Costs of acquisition of intangible assets

Intangible assets include the cost of intellectual property and property rights necessary for implementation of the project. Eligible intangible assets must meet the following conditions:

- may be used only in the performance of the activity supported,
- must be purchased from a third party at market conditions,
- must be included in the Beneficiary's capitalized assets and must be owned by the Beneficiary during the mandatory maintenance period starting from the completion of the project and, where applicable, used in the facility for which the support is granted.

4.2.4. Costs of services used

Costs of the following external services directly linked to the supported activity and ordered from third parties are eligible:

- costs of professional services needed to carry out the investments in the project:
 - construction supervisor fees,

- costs of experts (e.g. architects, building services engineers, interior designers, IT experts, site manager), as well as the costs of hiring designers' foremen and other specialist supervision,
- fees for official authority and administrative procedures incurred during the implementation (e.g. occupancy permit issuance fee);
- the following training costs:
 - trainers' personnel costs (salary or fees and related payroll taxes payable) and travel and accommodation costs if the place of training program and the trainer's place of residence are in different municipalities (in case of accommodation costs, at least 60 km away),
 - costs of the educational materials and consumables directly linked to the training program and regarded as supplies,
 - costs of consultancy services related to the training program,
 - when using complete training programs, fees of a training institution which is entitled to provide training services according to the legislation of the Beneficiary's country of residence;
- travel and accommodation costs, if they are directly related to implementation of the project (e.g. travel to the project implementation site) and if the Beneficiary's registered headquarters or branch offices and the project implementation site are located in different municipalities (in case of accommodation costs, at least 60 km away),
- costs of other services related to implementation of the project:
 - costs related to legal services:
 - legal advice fees
 - notarial fees and expenses
 - costs related to legal guarantees: verifiable costs incurred by the Beneficiary in connection with any legal assurance that may be required (bank guarantee, warrant from a guarantee institution, commitment issued under a guarantee insurance contract, surety bond or mortgage on real estate or movable property),
 - costs related to publicity:
 - costs related to production of publications and information booklets, electronic publication, advertising of training courses, awareness-raising, information and communication campaigns,
 - fees and costs of organising forums, information events and other communication services, and necessary services related thereto;
- fee for audit, if a separate project audit is required upon completion of the project.

4.3. Project management costs

If the project management activity is carried out within the Beneficiary's own organisation, project management costs are eligible as follows: the entire gross salary, commission payment and related payroll taxes, or the pro rata share of those according to the time spent on managing the project for persons employed or commissioned by

the Beneficiary under the laws of the Beneficiary's country of residence, who perform management, financial-accounting, legal, technical, other professional and administrative tasks of the project. In addition to the salary or commission payment and related payroll taxes, no other allowances, such as cost reimbursement or bonuses are eligible.

In addition to or instead of carrying out the project management activities internally, the Beneficiary may use external project management services.

In case the Beneficiary includes salaries (and payroll taxes) among the accounted costs of services used or the project management activities, the Beneficiary is obliged to prepare an accurate monthly time sheet for the employees receiving the accounted salaries, showing separately the working time spent on the project on a daily basis (if the employee concerned does not spend all his/her working time on the project activities).

4.4. Value Added Tax (VAT) and other taxes and charges

Value Added Tax and other taxes and public charges (hereinafter referred to as "taxes") are considered as eligible costs to the extent that they are not deductible by the Beneficiary under the laws of the Beneficiary's country of residence. If any taxes are deductible, they are not eligible. Where the Beneficiary's entitlement to tax deductions varies by activity or period, the relevant items shall be treated separately in the project budget, and taxes are eligible only for those parts where and when they are not deductible.

4.5. Non-eligible costs

- catering (entertainment) costs,
- fines, penalties and legal costs,
- taxes that are deductible or not payable by the Beneficiary.

5. Key principles of accounting of the grant

5.1. Terms used in connection with accounting of the grant

Value Added Tax (VAT): the value added tax applicable in the country where the Beneficiary has its registered headquarters / residence or any other tax corresponding to the concept of value added tax.

Investment (if the call for proposals allows for investment): acquisition, construction or in-house production of tangible assets, and activities carried out for the purpose of putting the acquired tangible assets into service and into their intended use (transport, customs clearance, brokerage, foundation work, installation, and all activities which may be related to acquisition of the tangible asset, including design, preparation, implementation, loan application, insurance), which the Beneficiary purchases or

installs for a long-term use of more than one year. Investment also includes any activity resulting in extension, change of intended use, conversion, renovation, direct increase in life or performance of an existing tangible asset. The production of an asset involves both material and labour costs and use of services.

Operating expenditure:

- purchase of materials and consumables to be used within one year;
- operation and maintenance of existing property and equipment;
- salaries, commission payments and other personal expenses and related payroll taxes;
- other costs and expenses of used services related to the Beneficiary's operation and the implementation of the project.

Project Manager: a member of the Agency's staff who carries out certain tasks related to the management and implementation of grants.

Accounting document: any document (invoice, contract, agreement, statement, bank certificate, bank account statement, legal provision or other document that can be qualified as such) issued or prepared by the Beneficiary or by an individual or a legal entity or other entity having business or other relations with the Beneficiary - regardless of whether the document is printed or produced by other means - which is issued or prepared for the purpose of accounting of an economic event and which clearly indicates the content of the economic event and its financial implications. Both the form and content of an accounting document must be authentic, reliable and correct. Among accounting documents, invoices can also be issued electronically. An e-invoice is an accounting document that is only electronically authentic and must be managed and stored in this form. When reports are compiled, the accounting, tax and social security legislation – and when a public procurement procedure is obligatory, the public procurement laws – of the country where the Beneficiary has its registered headquarters shall be applied.

Deadline for settlement of the grant: the deadline for submission of the report indicated in the grant award document / support contract.

Registration of the amount of grant: the amount of grant shall be fixed and recorded by the Agency in HUF, irrespective of the currency in which the grant is paid. The costs eligible for the grant must be registered in the currency of the country where the Beneficiary has its registered headquarters and converted into HUF at the exchange rate applied when conversion is made.

If the Beneficiary attaches an invoice issued in one of the currencies listed on the official currency page of the Hungarian National Bank (hereinafter referred to as the "MNB") to the settlement, the exchange rate published daily by the MNB shall be taken into account for the conversion (<http://www.mnb.hu/arfolyam-lekerdezes>). If the Beneficiary attaches an invoice issued in a currency other than the currencies listed on the MNB's official currency page, the monthly exchange rate quoted by the MNB shall be taken into account for the conversion (<https://www.mnb.hu/statisztika/statisztikai-adatok-informaciok/adatok->

[idosorok/arfolyamoklekerdezese/az-mnb-hivatalos-devizalapjan-nem-szereplo-egyeb-arfolyamok\).](#)

5.2. Specific important provisions on accounting of the grant

5.2.1. Translation: the Beneficiary must provide an English translation of the contents and essential data of all documents that are not in Hungarian or English (it is not required to have an official translation prepared by a translation agency). The translation must be submitted in a legible format, on a separate sheet of paper, attached to the concerned document or a certified copy thereof (see section 5.2.3). The Beneficiary is responsible for the accuracy of the translation.

5.2.2. Enclosure: the Beneficiary shall fulfill its enclosure obligation by entering the registration number of the grant award document / support contract in the documents submitted for settlement of the grant. The enclosure shall be made in HUF in accordance with the conversion rule set out in section 5.1. All invoices and/or equivalent accounting documents must be claused, whether or not they are sent to the Agency (e.g. rental contract, payroll slip, secondment order). A bank statement must be endorsed when a bank charge is accounted for. The endorsement can be made in two ways: in case of settlement of the full amount of the accounting document, the Beneficiary must write the following endorsement on the ORIGINAL copy of the invoice and/or equivalent accounting document supporting the settlement: "Accounted for grant award document / support contract No.". In the case of a partial settlement, the Beneficiary shall indicate the amount of the grant used and the registration number of the grant award document / support contract on the ORIGINAL copy of the supporting document, with the following text: "An amount of was used and accounted for grant award document / support contract No.". In the text of the endorsement, the amount indicated must be expressed in the national currency of the country where the Beneficiary has its registered headquarters. If the Beneficiary wishes to settle an electronic invoice, the obligation to endorse the invoice can be fulfilled in one of the following ways:

- the invoice is not endorsed by the Beneficiary, but instead, before e-signing, the supplier writes on the invoice the registration number of the project for which the invoice is submitted,
- if the supplier does not endorse, and the Beneficiary has an e-signature, the Beneficiary must endorse the invoice, and sign the invoice and the endorsement at the same time,
- if the supplier does not endorse, and the Beneficiary does not have an e-signature, the Beneficiary must fill in a declaration, which, after signing, must be scanned and attached to the electronic invoice; if the invoice includes also non-eligible costs, only the part of total amount of the invoice that is eligible for the grant can be endorsed.

5.2.3. Authentication: after endorsement of the original copy of the supporting documents to be submitted for settlement, the Beneficiary must make a copy that must be authenticated by the Beneficiary's representative. The copy must be marked with the following text in English: "Certified true copy of the original", or in Hungarian: "Az eredetivel mindenben megegyező hiteles másolat". The authentication obligation applies to supporting documents submitted for settlement. The scanned and authenticated copies of the supporting documents sent electronically to the Agency must be available at the Beneficiary's headquarters or branch offices, together with the original documents. At the Agency's request, the Beneficiary shall at any time send the Agency an authenticated paper copy of the documents submitted electronically.

5.2.4. VAT accounting: the amount of the grant may be used to pay the VAT payable on cost items only if the Beneficiary is not entitled to deduct VAT in connection with the project covered by the grant, or if it is entitled to deduct VAT but declares in the support contract that it does not intend to do so and does not claim a tax deduction in relation to the project and does not pass on the tax payable. If there is a change in the Beneficiary's tax deduction entitlement after the grant award document has been issued / support contract has been concluded, the Beneficiary shall notify the Agency of the change without delay.

5.3. Detailed rules on the reports to be submitted

A financial report and a professional report must be prepared in accordance with the terms and conditions set out in these GTC and the grant award document / support contract by the deadline for settlement set out in the grant award document / support contract. The Beneficiary shall submit the financial report by filling in Annex 1 (Financial Summary) of the GTC and the professional text report by filling in Annex 2 (Professional Report) of the GTC. The financial report must be accompanied by copies of the invoices and other accounting documents, bank statements and other documents supporting the implementation of the project, that exceed a threshold of HUF 200,000. The professional report is a written assessment of achievement of the objective of the grant, efficiency of utilization of the grant, and fulfilment of requirements concerning provision of information to the public. The financial report, the professional report and the annexed documents must be sent to the Agency electronically in scanned form. (The financial summary should be sent in the original completed excel format, and after printing and signing, scanned in pdf format.) The Agency will check the financial report on the basis of supporting documents attached and examine whether the objective of the grant has been achieved and fulfilled. If the Agency so requires, the Beneficiary shall at any time send an authenticated paper copy of the documents of the financial report submitted electronically.

5.3.1. Financial report

The financial report must be presented in HUF. Expenses incurred in other currencies must be converted at the exchange rate prevailing at the time of payment, taking into account the daily rate of exchange on the MNB's official foreign exchange page or, in the case of a currency not on the MNB's official foreign exchange page, the monthly rate of exchange, as described under point 5.1. The financial report must be completed by filling in the "Financial Summary" table (in Annex 1). The financial report must be accompanied by copies of the invoices and other accounting documents, bank statements and other documents supporting the implementation of the project, that exceed a threshold of HUF 200,000. Invoices and other accounting documents, etc. not exceeding the value of HUF 200,000 do not need to be attached to the report, but the originals and copies of the endorsed and authenticated copies must be kept at the Beneficiary's registered headquarters or – if it is located elsewhere – at the place where the Beneficiary keeps its documents. At the Agency's request, the Beneficiary shall at any time send these documents to the Agency by scanning them electronically or by post. The Agency may check invoices, other accounting documents, etc. whether or not they have been attached to the report, during a field audit. In the financial report, only the cost items can be accounted that

- are included in the approved budget for the project or in an amendment to the budget approved by the Agency,
- have been incurred within the period of implementation of the project set out in the grant award document / support contract, i.e. the professional performance is within the period of implementation,
- have been incurred during the period of implementation and financial settlement (certified payment) of which has taken place by the end of the accounting period at the latest.

The settlement of the project shall be prepared also taking the accounting, tax and social security legislation of the country where the Beneficiary has its registered headquarters into account, additionally, also public procurement laws when a public procurement procedure is obligatory.

In the final report, costs may be reallocated between the main headings within the approved budget headings of the project up to a fixed percentage of the grant amount without prior authorisation from the Agency. The specific rate is set out in the grant award document / support contract. The reason(s) for reallocation must be explained in the professional report. Any reallocation exceeding the aforesaid percentage of the grant amount requires a prior approval of the Agency.

5.3.2. Professional report

The professional report must be prepared by filling in the "Professional Report" form in Annex 2. In the professional report, the Beneficiary shall provide a summary textual report on implementation of the supported activity that shall be drafted according to the criteria as follows:

- description of the supported activity (description of purposes, results and utilization of the grant, description of the specific date, location and events of the program(s) implemented);
- description of the connection between specific activities of the project carried out and the supporting documents attached to the report (what costs were covered by the grant);
- presentation of organisations and people involved in implementing the project;
- list of documents attached to the report and submitted after scanning (e.g. photos, CD/DVDs, flyers, posters, honorary copies, as well as attendance sheets in case of education / training / conference, curriculum, thematic, books, etc.);
- presentation of implementation of the communication plan and submission of a copy of all documentation (press material, media coverage, internet link).

6. Documents supporting use of the grant

Supporting documents issued for the name and address of the Beneficiary as buyer will be accepted only as part of the financial settlement. Issued documents must clearly show the information as follows:

- serial number of the document,
- date of issue of the document,
- details of the issuer of the document (name, address, VAT number or, in the absence of a VAT number, other identifier),
- details of the buyer (name, address),
- description and quantity of goods or services purchased and the date of performance,
- deadline for payment of the price,
- the price payable,
- evidence of payment of the price (financial settlement) by supporting documents (bank statement, cash register receipt or other documents such as receipt confirmation, declaration, etc.).

7. Rules on procurement procedure

The Beneficiary must prove that its purchases have been made at the normal market price in the country concerned. The market price can be justified as follows:

- with at least 1 official quotation for investments, purchase of goods and services used between HUF 200,000 and HUF 1,000,000 gross (i.e. including VAT),
- for investments, purchase of goods and services used exceeding HUF 1,000,000 gross, with at least 3 official quotations, independent of each other and the Beneficiary, as well as comparable with each other.

In the case of machines, equipments, goods, etc., which are available for retail sale, individual quotation may be replaced by a publicly available quotation from the distributor (e.g. a print screen from the distributor's website).

Quotations must not be older than 6 months as at the date of signature of the sales contract. Quotations are acceptable if they reflect average market prices and quotations received allow for an objective comparison of products with different specifications. Quotations do not need to be attached to the report but must be kept at the Beneficiary's registered headquarters or – if located elsewhere – at the place where the Beneficiary's documents are kept, which can be checked by the Agency during a field audit.

With the exception of machines, equipments, goods, etc., which can be purchased in retail trade, contracts for the purchase of any goods or services must be in writing and must be attached to the report.

8. Securities provided

The Agency may stipulate a security as a condition for issuance of the grant award document or conclusion of the support contract to cover any repayment obligation of the Beneficiary resulting from a breach of the grant award relationship.

Security can be as follows:

- a declaration of the Beneficiary's authorisation to submit a direct debit order in favour of the Agency for all bank accounts of the Beneficiary – that may be debited by direct debit order under the law – (hereinafter referred to as "direct debit order"), together with a provision to set a maximum of 35 days for the receivable to be held in queue (if applicable) in case of a payment order that cannot be executed due to lack of funds, or
- any means – in particular a lien, guarantee, surety, bail, or promissory note – guaranteeing that the Agency will be able to enforce its claim for repayment of the grant effectively and in good time.

The direct debit order may vary from country to country. If the relevant bank is willing to issue it only in the official language of the given country, an English translation certified by the Beneficiary's representative must be attached to the grant award document / support contract.

9. Residual amount

If an advance payment for the grant was made, and if total actual costs of the supported activity is lower than the advance paid by the Agency, the Beneficiary shall be liable to repay the difference. The costs of repayment of such residual amount shall be fully borne by the Beneficiary. The Beneficiary must send the bank document confirming repayment of the residual amount to the Agency.

10. Closing the grant procedure

If the final settlement is complete, transparent and is in the same amount as the grant awarded, the Agency shall issue a Certificate of Completion for both the professional and financial aspect of the grant (hereinafter referred to as the "Certificate of Completion"). If an advance payment for the grant was made, the issue of the Certificate of Completion also marks the end of the project. The Agency will notify the Beneficiary on closing the project. If the Agency transfers the granted amount to the Beneficiary fully or partly after the final report has been adopted (post financing), the payment of the grant is also subject to the issue of the Certificate of Completion. After the project has been closed, the authorisation previously issued as a security by the Beneficiary for the Agency for the Beneficiary's bank account will be withdrawn and the withdrawal sent by post to the Beneficiary.

11. Maintenance obligation

The Beneficiary is obliged to use the subject of development / investment implemented within the framework of the supported activity for the purpose of the grant, as defined in the grant award document / support contract, for a period of at least 5 years after the implementation period (hereinafter referred to as the "maintenance period"), and may only alienate, encumber, lease or otherwise use it with the prior written consent of the Agency.

12. Program audits

The Beneficiary is obliged to keep all documents (deeds, receipts, invoices, other documents, etc.) related to the use of the grant for a period of 5 years, for the purpose of subsequent audit of the grant. The Agency is entitled to monitor the use of the grant during the grant period and for 5 years after the reporting deadline. The Agency is entitled to carry out on-site supervisions related to the subject matter of the grant award document / support contract, i.e. at the Beneficiary's registered headquarters, branch offices or at the place where the Beneficiary's documents are kept, additionally, in the case of construction / installation activities, it may also carry out construction-technical professional inspections. The Beneficiary is obliged to ensure the possibility and conditions of supervisions and inspections and to provide the Agency with all supporting documents necessary for a successful completion of the audit.

13. Taking into account the national legislation

If the local legislation in any country does not allow compliance with certain elements of these GTC, the Beneficiary must declare this fact and attach the relevant part of the prohibiting legislation and a certified translation thereof in Hungarian to the Agency. For issues not covered by these GTC, the grant award document / support contract and the applicable Hungarian legislation shall apply.