

Haklara Destek Program

Sub-Granting Contract

Grant Contract Identification Number: IPA/2021/428-220

Sub-Granting Contract Number: HD-....

(the 'Contract')

HAKİKAT ADALET VE HAFIZA ÇALIŞMALARI DERNEĞİ (HM)

ÖMER AVNİ MAH. İNÖNÜ CAD. NO: 14 AKAR PALAS K.1 BEYOĞLU / İSTANBUL, (the 'Contracting Authority')

of the one part,

and

<Full official name as written on the Memorandum of Association>

<Legal status (organisation)>] [<title (individual)>

<Full official address>

(hereinafter referred to as the 'Beneficiary')

of the other part,

have agreed as follows:

The Beneficiary and the Contracting Authority are the only Parties to this contract.

Article 1 — Purpose

1.1 The purpose of this Contract is to carry out an institutional support program in order to help maintain the existence, the achievement of its main objectives and the capacity development of <CSO name>, the Beneficiary, which is specified in the Annex A-Application Form annexed to this Contract. The program will have two pillars: an Organizational Grant and Capacity Development.

Under the Haklara Destek Program, the Beneficiary will be awarded a grant in accordance with the terms and conditions set out in this Contract and its annexes.

1.2 The Beneficiary, who agrees to benefit from the Program, is responsible for using the grant to achieve its main goal and objectives and to fulfil the obligations required by the organizational guidance program.

1.3 This Contract and the payments attached to it may not be assigned to a third party in any manner whatsoever without the prior written consent of the Contracting Authority.

Article 2 — Implementation Period

2.1 This Contract shall enter into force on **January 1st, 2023** when the implementation of the program begins.

2.2 The implementation period of the Haklara Destek Program is 24 months. (January 1st, 2023-December 31st, 2024)

2.3 This execution period of this Contract shall end when the final payment is made after the Contracting Authority approves the final reports submitted by the Beneficiary, or at the latest, three months after the end of the implementation period stipulated in this Contract, unless terminated according to Article 10.

Article 3 — Grant Amount

3.1 Estimated Total Income for the Grant Period

The estimated total income for the grant period is <estimated total income amount for each CSO (BELLEK Expected Income table)> Euros, as established in Annex B-2 Expected Income Form.

3.2 Maximum Grant Amount

The Contracting Authority undertakes to grant a maximum of <enter grant amount for each CSO> Euros to the Beneficiary within the scope of the Haklara Destek Program.

3.3 Determination of the Final Grant

The maximum amount of grant support (as set out in Article 3.2) agreed upon by signing this Contract may differ from the final payment made by the Contracting Authority at the end of the grant period. The final grant amount is calculated at the end of the program following the approval of the narrative and financial reports submitted by the Beneficiary subject to the following two simultaneous limitations:

a) Only the actual expenditures incurred by the Beneficiary under this Contract are deemed eligible.

b) Under no circumstances may the Beneficiary's total income, excluding the Haklara Destek grant, be less than 10% of the Haklara Destek grant during the grant period. In other words, if the actual income is lower

than the expected income and falls short of 10% of the grant amount stated in Article 3.2, the final grant amount will be reduced in proportion to the total income.

In addition and without prejudice to the Contracting Authority's right to terminate this Contract in accordance with Article 10, if the action is implemented poorly or partially - and therefore not in accordance with the description of the action in Annex A-Application Form - or late, the Contracting Authority may, after allowing the Beneficiary to submit their explanations, reduce the initial grant in line with the actual implementation of the action and in accordance with the terms of this Contract.

In the case of the breach of obligations, fraud or irregularities, the Contracting Authority may reduce the grant in proportion to the seriousness of the breach.

Article 4 — Reporting and Payment Arrangements

The Beneficiary is obliged to submit periodic narrative and financial reports in accordance with the rules set out in Articles 4.1 to 4.4 of this Contract. All reports should be prepared (online) using the formats on the BELLEK Grant Management System. The supporting documents attached to the financial reports should be scanned and uploaded to the system. The reporting language is Turkish.

The reporting formats are included in Annex E-Financial Reports and Annex F-Narrative Reports of this Contract.

4.1 General Responsibilities Regarding Narrative and Financial Reporting

The Beneficiary shall:

- a) Supply all documents and information to the Contracting Authority which may be required under this Contract, in particular in relation to the narrative reports and requests for payment,
- b) Complete the written and financial reports requested by the Contract within the required detail and time,
- c) Inform the Contracting Authority of any event likely to affect or delay the implementation of the action as early as possible,
- d) Inform the Contracting Authority of any change in the legal, financial, technical, organisational or ownership situation of the Beneficiary, as well as, of any change in the name, address or legal representative of any Beneficiary as early as possible,
- e) To participate in meetings and trainings to be organised by the Contracting Authority and to take an active role in guidance sessions,
- f) Establish the payment requests in accordance with the Contract.

4.2 Narrative Report Responsibilities

The Beneficiary is obliged to provide the Contracting Authority with all required information on the implementation of the action accurately and completely. The narrative report shall describe the implementation of the action according to the activities envisaged, difficulties encountered and measures taken, and any changes in the plans or the organisation itself. The reports shall be laid out in such a way as to allow monitoring of the objective(s), the means envisaged or employed and the budget details for the action. Written reporting consists of two parts: Activity Monitoring Reports and Implementation Evaluation Reports.

4.2.1 Activity Monitoring Reports

The Beneficiary must report all activities financed by the Contracting Authority and carried out during the grant period using the format on the BELLEK Grant Management System within 30 days of the completion of the activity. Separate reporting should be conducted for all other activities carried out for different

purposes and/or which use different tools/methods. The activities reported should be explained in detail and match the budget allocated for each activity.

4.2.2 Implementation Evaluation Reports

The Beneficiary is obliged to prepare two implementation evaluation reports: the interim and the final. The interim implementation evaluation report, covering the first 12 months of the Contract implementation period, should be prepared using the format on the BELLEK Grant Management System before the end of the 13th month (January 31st, 2024).

The final implementation evaluation report should cover the entire duration of the Contract execution period and be created using the format on the BELLEK Grant Management System within 30 days of the Contract end date. The implementation evaluation reports should cover the following topics:

- a) **Summary of the Implementation:** The goals and activities of the organisation during the grant period
- b) **Challenges:** Problems encountered during the grant period and actions taken to mitigate them.
- c) **Changes:** Significant changes to the plan or to the organisation.
- d) **Capacity Development:** Experiences and achievements gained during the grant period and the contribution of the Haklara Destek Program to the organisation and its capacity development

4.3 Financial Reporting Responsibilities:

Financial reports consist of the Expenditure Reports, Income Report, and the Financial Reports (Interim and Final). All financial reporting must be made in Euros.

4.3.1 Expenditure Reporting

The Beneficiary shall report expenditures as they occur by entering them under the Expenditure Reporting menu on the BELLEK Grant Management System, together with the supporting documents listed in Article 6.5. Expenditure reporting shall be completed within 15 days of the last day of the month in which the expenditure is made. The format for expenditure reporting is presented in the Annex E1 Financial Report of this Contract.

When reporting expenditures realised in Turkish Lira, the following rules shall apply with regards to the currency conversion process:

- a) The Beneficiary shall attach bank receipts showing the date and the currency exchange rate from Euro to Turkish Lira in the BELLEK Grant Management Currency Exchange field.
- b) Until the full converted amount is spent, the exchange rate on the day of the conversion will be valid, in compliance with the FIFO (First in First Out) rule.
- c) For payments made in cash or through wire transfer, the bank receipt uploaded to the BELLEK Currency Exchange field shall be linked to the corresponding expenditure report. This will be used by the BELLEK Grant Management System to convert the expenditures back to Euros, as based on the currency exchange rate shown on the receipt.

4.3.2 Income Reporting

The Beneficiary shall report income as it is received, in Euros, under the Income Reporting menu in the BELLEK Grant Management System. The conversion rate used must be the Currency Exchange Rate set by

the Central Bank of the Republic of Turkey (TCMB) and corresponding to the date the income is received. Income Reporting must be completed, at the latest, when the Interim and Final reporting is done.

4.3.3 Interim Financial Report

The Beneficiary is obliged to submit an Interim Financial Report within 30 days of the 12th month of the implementation period. The interim financial report is created automatically by the BELLEK Grant Management System, based on the expenditure and income reports submitted to the system. The Beneficiary is responsible for the accurate and on time delivery of expenditure and income reports. The Interim Financial Report should be submitted for approval within 30 days of the first 12th months using the BELLEK Grant Management System.

4.3.4 Final Financial Report

The Beneficiary is obliged to submit a Final Financial Report within 30 days of the last day of the implementation period. The final financial report is created automatically by the BELLEK Grant Management System, based on the expenditure and income reports submitted to the system. The Beneficiary is responsible for the accurate and on time delivery of expenditure and income reports. The Final Financial Report should be submitted for approval within 30 days of the last day of the implementation period, using the BELLEK Grant Management System.

4.4 Evaluation of Reports by the Contracting Authority and Payment Plan:

4.4.1 Evaluation of Reports by the Contracting Authority

Expenditure Reports must be submitted by the Beneficiary as expenditures are realised and must be completed within 15 days following the last day of the relevant month. They shall be reviewed by the Contracting Authority within 15 days following submission; the interim and final financial reports shall be reviewed within 30 days and shall be deemed to have been approved in the absence of any additional information / documents or disclosure requests.

The Contracting Authority may request at any time clarification, additional information/documents and / or amendments regarding the Activity Monitoring, Implementation Evaluation Reports, and Expenditure, Income and Interim/ Final Financial Reports submitted by the Beneficiary. The Beneficiary must forward this information and documents to the Contracting Authority within 15 days of the request. The Contracting Authority may suspend the evaluation of reports and associated payments until the requested information and documents are correctly submitted to the Contracting Authority and the reporting requirements are satisfied.

4.4.2 Payment Plan

Forty five percent of the grant amount stipulated in Article 3.2 of the Haklara Destek Program will be sent as advance payment to the Euro account number specified in the Annex-C Financial Identification Form of the Beneficiary within 15 days after the signing of the Contract.

The amount of the advance payment determined for this Contract is: **<45% of the Total Grant Amount amount>** Euros.

The second payment covers 45% of the grant amount specified in Article 3.2 and is **<45% of the Total Grant Amount amount>** Euros. The second payment can only be requested when 80% of the advance payment is spent.

The Beneficiary must request the second payment by filling out the Annex-D Request for Payment form on the day when the total monthly expenditure reports approved by the Contracting Authority reaches 80% of the advance payment.

The third payment covers 10% of the grant amount specified in Article 3.2 and is **<10% of the Total Grant Amount amount>** Euros. The Beneficiary covers the expenditures that equal the third payment using its

own resources and additional income. The amount for the final payment shall be recalculated following the approval of the final narrative and financial reports by the Contracting Authority, taking into account the restrictions set out in Article 3.3. If the sum of eligible costs, which are determined as a result of the evaluation of the final reports submitted by the Beneficiary, is less than the sum of the advance and second payment mentioned above, the unspent amount shall be reimbursed by the Beneficiary to the Contracting Authority within 30 days.

Payment requests shall be made using the model in the Annex-D Payment Request Form and submitted to the Contracting Authority with the following:

- a) Expenditure Reports covering the previous period that have been approved by the Contracting Authority,
- b) Income Reports covering the previous period,
- c) Activity Monitoring Reports covering the previous period that have been approved by the Contracting Authority,
- d) The Interim Financial Report and Interim Implementation Evaluation Report, at the end of 12 months,
- e) The Final Financial Report and Final Implementation Evaluation Report, at the end of 24 months.

For the first payment, the signed Contract serves as a payment request.

If the Beneficiary fails to meet the reporting requirements or the report is not approved by the Contracting Authority, payments will be held until the terms are completed.

Article 5 – Eligible Costs

5.1 Cost Eligibility Criteria

Eligible costs are actual costs incurred by the Beneficiary which meet all the following criteria:

- a) They are incurred during the implementation of the action as specified in this Contract:
 - i. Costs relating to services and work shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to the delivery and installation of items during the implementation period. The signature of a contract, the placing of an order, or the entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after the expiration of the implementation period do not meet this requirement. Cash transfers between the coordinator and/or the other beneficiary(ies) and/or affiliated entity(ies) may not be considered as costs incurred,
 - ii. Costs incurred should be paid before the submission of the final reports. Expenditures incurred during the implementation period, but which have not yet been paid as of the delivery date of the final report are exempt. In this case, the Beneficiary must submit a payment undertaking showing the payment dates together with the final report, and submit the documents indicating these payments have been made to the Contracting Authority prior to the final payment.
- b) They are indicated in the estimated overall budget prepared for the Haklara Destek Program and approved by the Contracting Authority,
- c) They are necessary for the implementation of the action,

- d) They are identifiable and verifiable, are recorded in the accounting records of the Beneficiary, are determined according to accounting standards and the usual cost accounting practices are applicable to the Beneficiary,
- e) They comply with the requirements of applicable tax and social security legislation,
- f) They are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

This grant applies the European Commission's rule of not using double financing; only one grant can be used for each item of expenditure, and no duplicate European Community funding or other funding from Consulates/Institutions can be used for the same expenditure.

5.2 Eligible Costs

The following costs of the Beneficiary shall be eligible:

- a) The cost of staff assigned to the action, corresponding to actual gross salaries including social security charges and other remuneration-related costs (excluding performance-based bonuses); salaries and costs shall not exceed those normally borne by the Beneficiary, the cost of staff employed at the organisation, corresponding to actual gross salaries including social security charges and other remuneration-related costs Travel and per diem expenses for staff and other persons,
- b) Research and publications costs, and the expenses necessary to disseminate them,
- c) All kinds of corporate visibility and publicity expenses,
- d) Translation costs,
- e) Expenditures related to organisational capacity development,
- f) Impact assessment and external audit expenses,
- g) Membership fees for national / international networks and platforms,
- h) Equipment costs (purchase or rental) and cost of supplies (the requested amount cannot exceed 30% of the total budget),
- i) Overhead costs, including office rent or leasing of buildings, equipment and assets, office-related depreciation costs, dues, electricity, water, heating, information technology costs, telecommunication costs, maintenance and repair contracts' costs, and other office expenses,
- j) Any expenditures related to the main activities of the Beneficiary (conferences, trainings, meetings, etc.),
- k) Campaign and other advocacy activities,
- l) Legal costs (court fees/application fees, attorney's fees) accepted by the HM and HBS to be suitable for the purposes of the Haklara Destek Program,
- m) Documentation costs.

5.3 In Kind Contributions

Any in kind contributions do not represent actual expenditures and are not eligible costs. Unless otherwise specified in the special conditions, contributions in kind may not be treated as co-financing by the Beneficiary.

5.4 Ineligible Costs

5.4.1 The following costs are not eligible and therefore not covered under the grant offered by this program:

- a) Taxes, including Value-Added Tax (VAT),
- b) Costs incurred before the signing of the grant Contract,
- c) Vehicle rentals and fuel costs,

- d) Debts and debt service charges (interest),
- e) Provisions for losses or potential future liabilities,
- f) Costs declared by the Beneficiary and financed by another action or work program receiving a European Union (including through European Development Fund (EDF)) grant or by any other national or international funding organization,**
- g) Purchases of land or buildings and/or all types of motor vehicles,
- h) Currency conversion costs and foreign exchange rate losses related to the project-specific euro account and other financial expenses,
- i) Credits or sub-granting to third parties,
- j) In kind contributions,
- k) Charity works and humanitarian aid,
- l) All kinds of fines imposed on organisations or officials of organisations,
- m) Personal expenses of the employees, volunteers, and managers of the organisation,
- n) Excessive or disproportionate spending,
- o) Personnel premiums and bonuses.

5.4.2 Value Added Tax (VAT) is considered an ineligible cost under this Contract. The Beneficiary must obtain a VAT Exemption Certificate from the local Tax Office Directorate that is valid during the grant period for the grant amount, and after receiving this certificate, ensure that all expenditures funded by the program are tax exempt. In cases where the Beneficiary fails to obtain this certificate or to use it, the responsibility of paying VAT belongs to the Beneficiary.

Article 6 –Accounts and Technical and Financial Checks

6.1 Accounts

The Beneficiary shall keep accurate and regular accounts of the implementation of the action using an appropriate accounting and double-entry bookkeeping system.

The accounts:

- a) May be an integrated part of or an adjunct to the Beneficiary's accounting system,
- b) Shall comply with accounting and bookkeeping legislation applicable in Turkey,
- c) Shall enable income and expenditures relating to the action to be easily traced, identified and verified.

6.2 Right of Access

6.2.1 The Beneficiary shall allow verifications to be carried out by the European Commission, and any external auditor authorised by the Contracting Authority. The Beneficiary has to take all steps to facilitate their work.

6.2.2 The Beneficiary shall allow the above entities to:

- a) Access the sites and locations at which the action is implemented,
- b) Examine its accounting and information systems, documents and databases concerning the technical and financial management of the action,
- c) Take copies of documents,
- d) Carry out on the-spot-checks,
- e) Conduct a full audit on the basis of all accounting documents and any other document relevant to the financing of the action.

6.3 Record Keeping

6.3.1 The Beneficiary shall retain all records, accounting and supporting documents related to this Contract for five years from the end of the Contract.

6.3.2 In addition to the reports mentioned in Article 4, the documents referred to in this article include:

- a) Accounting records (digital or analog) from the Beneficiary's accounting system such as a general ledger, sub-ledgers and payroll accounts, fixed assets registers and other relevant accounting information,
- b) Proof of procurement procedures, such as tender documents, bids from tenderers and evaluation reports,
- c) Proof of commitments, such as contracts and order forms,
- d) Proof of delivery of services such as approved reports, time sheets, transportation tickets, proof of attending seminars, conferences and training courses (including relevant documentation and material obtained, certificates), etc.,
- e) Proof of receipt of goods, such as delivery slips from suppliers,
- f) Proof of completion of works, such as acceptance certificates,
- g) Proof of purchase, such as invoices and receipts,
- h) Proof of payment, such as bank statements, debit notices, proof of settlement by the contractor,
- i) Proof that taxes and/or VAT have been paid cannot be reclaimed,
- j) Staff and payroll records, such as contracts, salary statements and time sheets. For staff recruited on fixed-term contracts, details of remuneration paid, duly substantiated by the person in charge locally, broken down into gross salary, social security charges, insurance and net salary.

Article 7 –Procurement by the Beneficiary

If the implementation of an action requires procurement by the Beneficiary, the contract must be awarded to the tender offering the best value for money (i.e. the tender offering the best price-quality ratio) or, as appropriate, to the tender offering the lowest price. In doing so, the Beneficiary shall avoid any conflict of interests and respect the following basic principles:

- a) Participation in tender procedures managed by the Beneficiary is open on equal terms to all natural and legal persons effectively established in the country,
- b) Where the Beneficiary does not launch an open tender procedure, it shall justify the choice of tenderers that are invited to submit an offer,
- c) The Beneficiary shall evaluate the offers received against objective criteria which enable the evaluation of the quality of the offers and which take into account the price (the offer with the lowest price shall be awarded the highest score for the price criterion),
- d) The Beneficiary shall keep sufficient and appropriate documentation with regard to the procedures applied and which justify the decision on the pre-selection of tenderers (where an open tender procedure is not used) and the award decision,
- e) The Beneficiary is responsible for complying with the related legislation on using the VAT Exemption Certificate.

For equipment and vehicles of a unit cost on purchase of more than EUR 5,000, contractors must present proof of origin to the Beneficiary, at the latest when the first invoice is presented.

In this Article, proof of origin refers to the economic origin of an object, as shown through a Certificate of Origin. The Beneficiary must request a Certificate of Origin from the suppliers when the conditions are suitable.

On behalf of the European Commission, the Contracting Authority will carry out evaluations on the Beneficiary's compliance with the principles above. Failure to comply with these principles or rules will render the related expenditure ineligible for EU/EDF funding.

Article 8 — Implementation

8.1 Implementation contracts

8.1.1 If the implementation of the action requires the Beneficiary to procure products or services, it shall respect the procurement rules set out in Article 7.

8.1.2 To the extent relevant, the Beneficiary shall ensure the conditions applicable to them are also applicable to subcontractors.

Article 9 – Suspension

9.1 Suspension

9.1.1 The Beneficiary may suspend implementation of the action, or any part thereof, if exceptional circumstances, notably of force majeure, make such implementation excessively difficult or dangerous. The Beneficiary shall inform the Contracting Authority without delay, stating the nature, probable duration and foreseeable effects of the suspension. The suspension period is limited to 3 months in total. The request for suspension does not automatically mean acceptance of this suspension. This Contracting Authority reserves the right to reject this request or to accept it partially.

9.1.2 The Beneficiary or the Contracting Authority may then terminate this Contract in accordance with Article 10.1. If the Contract is not terminated, the Beneficiary shall endeavour to minimise the time of the suspension, any possible damage and shall resume implementation once circumstances allow, informing the Contracting Authority accordingly.

9.2 Suspension by the Contracting Authority

9.2.1 The Contracting Authority may request the Beneficiary to suspend implementation of the action, or any part thereof, if exceptional circumstances, notably of force majeure, make such implementation excessively difficult or dangerous. To this purpose, the Contracting Authority shall inform the Beneficiary stating the nature and probable duration of the suspension.

9.2.2 The Beneficiary or the Contracting Authority may then terminate this Contract in accordance with Article 10.1. If the Contract is not terminated, the Beneficiary shall endeavour to minimise the time of the suspension, any possible damage and shall resume implementation once circumstances allow and after having obtained the approval of the Contracting Authority.

9.3 Force Majeure

9.3.1 The term force majeure, as used herein covers any unforeseeable events, not within the control of either Party to this Contract and which by the exercise of due diligence, neither Party is able to overcome

such as natural disasters, strikes, lockouts or other industrial disturbances, wars declared or not, blockades, insurrections, riots, epidemics, civil disturbances, explosions. A decision of the European Union to suspend the cooperation with Turkey is considered to be a case of force majeure when it implies suspending funding under this Contract. This Article is subject to Turkish legal arrangements and jurisprudence.

9.3.2 The Beneficiary shall not be held in breach of its contractual obligations if it is prevented from fulfilling them by circumstances of force majeure.

9.3.3 The Contract has been drafted and signed during a period when COVID-19 epidemic measures remain partially in effect and have been taken into account by all Parties to the Contract. Existing COVID-19 measures cannot be regarded as force majeure in terms of the content and applicability of the Contract.

If new COVID-19 measures are taken by the official authorities after the Contract has entered into effect and if these measures prohibit the Parties from fulfilling their obligations under this Contract, the situation shall be evaluated by the Parties and can be considered a case of force majeure.

Article 10 –Termination of the Contract

10.1 Termination in Case of Force Majeure

In the cases foreseen in Article 9.1 and 9.3, if the Beneficiary or the Contracting Authority believes this Contract can no longer be executed effectively or appropriately, it shall duly consult the other Party. In the case of failure to agree on a solution, the Beneficiary or the Contracting Authority may terminate this Contract by serving a one month written notice, without being required to pay indemnity, as detailed under Article 10.4 of the Contract.

10.2 Termination by the Contracting Authority

10.2.1 The Contracting Authority may terminate this Contract in the following circumstances:

- a) A Beneficiary must have a comprehensive approach to, understanding of and commitment to human rights, and be independent of states, governments and political parties. The Beneficiary must be in opposition to the use of violence, racism and discrimination and support peace, tolerance, and the advancement of human rights for all groups and identities. These principles are based on international human rights instruments and conventions and case law on human rights. Attitudes, discourses and/or activities contrary to any of these principles can result in the termination of this Contract,
- b) A Beneficiary fails, without justification, to fulfil any substantial obligation incumbent on them by this Contract and, after being given notice by letter to comply with those obligations, still fails to do so or to provide a satisfactory explanation within 30 days of receipt of the letter,
- c) A Beneficiary has unilaterally suspended business activities partially (temporarily) or completely (indefinitely), has begun or completed termination or liquidation proceedings in accordance with Turkish legislation, is subject to insolvency or winding up procedures by the Law on Associations/Foundations, or has been issued an injunction by the courts in accordance with the Turkish Civil Code or other legislation,
- d) A Beneficiary, or any related entity or person, has been found guilty of grave professional misconduct proven by any means which the Contracting Authority can justify,
- e) It has been established by a final judgment or a final administrative decision or by proof in possession of the Contracting Authority that the Beneficiary has been guilty of fraud, corruption, involvement in a criminal organisation, money laundering or terrorist financing, terrorist-related offences, child labour or other forms of trafficking of human beings or circumventing fiscal, social or any other applicable legal obligations, including through the creation of an entity for this purpose,

- f) A change to a Beneficiary's legal, financial, technical, organisational or ownership situation or the termination of the participation of the Beneficiary substantially affects the implementation of this Contract or calls into question the decision awarding the grant,
- g) A Beneficiary or any related person, are guilty of misrepresentation in supplying the information required in the award procedure or in the implementation of the action or fail to supply – or fail to supply within the deadlines set under this Contract - any information related to the action required by the Contracting Authority,
- h) A Beneficiary has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the corresponding legal provisions,
- i) The Contracting Authority has evidence that the Beneficiary, or any related entity or person, has committed breach of obligations, irregularities or fraud in the award procedure or in the implementation of the action,
- j) The Contracting Authority has evidence that the Beneficiary is subject to a conflict of interests.

10.2.2 Any related person referred to in above clause, means any physical person with powers of representation, decision-making or control in relation to the Beneficiary.

10.2.3 A decision of the European Union to end the main grant for any reason (in other words, terminating the contract between the European Union and the Contracting Authority) will also cause this Contract to be terminated. In such situations, the Beneficiary will act in accordance with Article 10.4 and the Contracting Authority will inform the Beneficiary on the termination process.

10.3 End date

The Contracting Authority's payment obligations under this Contract expire three months after the Contract execution period, unless this Contract is terminated according to Articles 10.1 and 10.2.

10.4 Effects of Termination

Upon termination of this Contract the Beneficiary shall take all immediate steps to bring the action to a close in a prompt and orderly manner and to reduce further expenditures to a minimum.

The Beneficiary shall be entitled to payment only for the part of the action carried out before the termination decision.

To this purpose, the Beneficiary shall present a final report and introduce a payment request to the Contracting Authority within 30 days, starting from the date of termination.

In the event of termination according to Article 10.1, the Contracting Authority may agree to reimburse the unavoidable residual expenditures incurred during the notice period, provided the first paragraph of Article 10.4 has been properly executed.

In cases of termination foreseen under Article 10.2, the Contracting Authority may, depending on the gravity of the failings, request full or partial repayment of amounts unduly paid for the action.

Article 11 — Amendment of the Contract

11.1 Any amendment to this Contract, including the annexes thereto, shall be set out in writing. This Contract can be modified only during its execution period.

11.2 The amendment may not have the purpose or the effect of making changes to this Contract that would call into question the decision granting the award or be contrary to the equal treatment of applicants. The maximum grant referred to in this Contract shall not be increased.

11.3 All amendment requests require the Beneficiary to submit a duly justified request to the Contracting Authority thirty days before the date on which the amendment should enter into force.

11.4 If required by the Beneficiary during implementation, limited changes may be made to the main and subheadings of the budget without altering the total budget amount and without making any Contract amendments, provided that these changes do not adversely affect the expected results of the action. These changes are limited to a maximum of 30% or less of the total grant approved by this Contract. Such changes and the justification shall be notified to the Contracting Authority by filling out the Budget Amendment Form on the BELLEK Grant Management System within 30 days of making changes, at the latest. If more than one budget change is made during the implementation period, the percentages are calculated cumulatively. Budget changes will enter into effect only after being approved by the Contracting Authority.

11.5. For changes in budget items exceeding 30% of the total grant amount, it is obligatory to amend the Contract. To this end, the Beneficiary must prepare an addendum request through the BELLEK Grant Management System and send it to the Contracting Authority at least 30 days prior to the application. If the request for amendment is deemed appropriate, it shall be approved by the Contracting Authority. The amendment of the Contract shall enter into force on the day the last signer from the two signatory Parties signs the amendment. If the request is not found appropriate, the Beneficiary shall be notified with the reason the amendment was rejected.

Article 12 — Suspension of the Period for Payments

Payments may be suspended by notifying the Beneficiary of the following:

- a) The required conditions for payment set by this Contract are not met or;
- b) Proper supporting documents have not been supplied, or;
- c) Clarifications, modifications or additional information to the narrative or financial reports are needed, or;
- d) Additional controls on the eligibility of the expenditure are required; or;
- e) Whether presumed breaches of obligations, irregularities or fraud have occurred in the grant award procedure or in the implementation of the action, or;
- f) It is necessary to verify whether the Beneficiary has breached any substantial obligations under this Contract.

The Beneficiary shall provide any requested information, clarification or document within 15 days of the request.

If, notwithstanding the information, clarification or document provided by the Beneficiary, the payment request is still inadmissible, or if the award procedure or the implementation of the grant proves to have been subject to irregularities, fraud, or breach of obligations, then the Contracting Authority may suspend payments, and in cases foreseen in Article 10, terminate this Contract accordingly.

In addition, the Contracting Authority may also suspend payments as a precautionary measure without prior notice, prior to, or instead of, terminating this Contract as outlined in Article 10.

Article 13 — Recovery

13.1 If any amount is unduly paid to the Beneficiary, or if recovery is justified under the terms of this Contract, the Beneficiary agrees to repay the Contracting Authority these amounts.

13.2 Payments made do not preclude the possibility for the Contracting Authority to issue a recovery order to the Beneficiary following an expenditure verification report, an audit or further verification of the payment request.

13.3 In a verification process, if expenditures or reporting are not compliant with the conditions established in this Contract, the Contracting Authority shall be entitled to reduce the final amount of the grant proportionately.

13.4 The Beneficiary agrees to repay any amounts paid in excess of the final amount to the Contracting Authority within 30 days of the reimbursement instruction.

Article 14 - Conflict of Interests and Code of Conduct

14.1 The Beneficiary shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of this Contract. Such conflict of interests may arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest.

14.2 Any conflict of interests which may arise during the performance of this Contract must be notified in writing to the Contracting Authority without delay. In the event of such a conflict, the Beneficiary shall immediately take all necessary steps to resolve it.

14.3 The Contracting Authority reserves the right to verify that the measures taken are appropriate and may require additional measures to be taken, if necessary.

14.4 The Beneficiary shall at all-time act impartially and as a faithful adviser in accordance with the code of conduct of its profession as well as with appropriate discretion. It shall refrain from making any public statements concerning the Haklara Destek Program without the prior approval of the Contracting Authority. It shall not commit the Contracting Authority in any way whatsoever without its prior consent and shall make this obligation clear to third parties.

14.5 Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited. In case the Beneficiary is aware of any violations of ethical standards or code of conduct, the Beneficiary shall inform the Contracting Authority in writing within 30 days.

14.6 The Beneficiary or any related person shall not abuse of its entrusted power for private gain. The Beneficiary shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption.

14.5 The respect of the code of conduct set out in the present article constitutes a contractual obligation. Failure to comply with the code of conduct is always deemed to be a breach of the Contract under Article 10. In addition, failure to comply with the provision set out in the present article can be qualified as grave professional misconduct that may lead either to suspension or termination of the Contract.

Article 15 - Confidentiality

15.1 The Contracting Authority and the Beneficiary agree to preserve the confidentiality of any information, disclosed in writing or orally in relation to the implementation of this Contract and identified in writing as confidential until at least 5 years after the payment of the balance.

Article 16- Visibility

16.1 The Beneficiary shall take all necessary steps to publicise that the European Union has financed the project. The visibility principles detailed in the Visibility Guidelines may not be applied in exceptional cases with a preliminary written authorization from the Contracting Authority if it presents an identifiable risk to the Beneficiary. For guidance, see:

16.2 In particular, the Beneficiary shall mention the action and the European Union's financial contribution in information given to the final recipients of the action, in its internal and annual reports, and in any dealings with the media. It shall display the European Union logo in accordance with the instructions given in the Visibility Guidelines, wherever appropriate.

Article 17 - Ownership/Use of Results and Assets

17.1 Ownership of, and intellectual and industrial property rights to, the action's results, reports and other documents relating to it will be vested in the Beneficiary.

Article 18 – Use and Protection of Personal Data

In accordance with the business relationship within the scope of the Contract, Personal Data that (i) has become available to the public; (ii) is required to be disclosed by an administrative institution or judicial authority pursuant to an applicable legislation, or (iii) has been made public by the concerned person is outside the scope of this Contract.

Parties disclosing data accept and commit to sharing Personal Data only after obtaining explicit consent from data subjects after sharing the necessary information about the relevant data with the data subjects, and to processing it in accordance with and subject to the exceptions provided for in Personal Data Protection Law (KVKK) No. 6698.

Under this article, the data transferring Party accepts and commits to:

- a) Inform data subjects in accordance with KVKK (“Obligation of Controller to Inform”),
- b) Obtain explicit consent from data subjects for conditions required by law (“explicit consent”),
- c) Inform data subjects on the planned personal data transfer.

Parties are obliged to take all necessary technical and administrative measures to prevent processing of, access to personal data against the law, and to protect personal data. Parties agree to have taken all necessary technical and administrative measures in this regard.

The Contracting Authority will use and process the personal data collected within the scope of the Contract only to meet the obligations set forth in the Contract.

The Parties agree to take all necessary technical and organizational obligations set forth by law to prevent unauthorized and illegal access, processing, disappearance, destruction, or damaging of the personal data collected.

Parties will take all necessary measures to ensure all personnel, representative, company or others with access to personal data can be trusted and abide by the obligations set forth in the KVKK. Within this scope, the Parties agree that:

- i. Applications received from data subjects concerning their rights will be processed, deleted, anonymized, or destroyed in accordance with the KVKK,
- ii. Data will be secured in accordance with KVKK, and the Parties will take all necessary technical and administrative measures and design all electronic systems in accordance with the most up to date technical requirements,

- iii. A Declaration of Confidentiality will be signed by data supervisors and other employees that have access to data to meet the obligation of securing personal data,
- iv. In the case that courts, the Personal Data Protection Board, the Information and Communication Technologies Authority and other relevant administrative institutions and organizations rule to impose compensation, fines or other sanctions for the violation of KVKK or other legislation, the Beneficiary cannot have recourse to the Contracting Authority or pay any applicable fines using the grant. The Beneficiary will be solely responsible for any illegal behaviour or activity.

Article 19 — Contact Addresses

19.1 Any communication in connection with this Contract shall be in writing, include the Program application number and be sent to the following address:

HAKİKAT ADALET VE HAFIZA ÇALIŞMALARI DERNEĞİ

Haklara Destek Programı

Ömer Avni Mah. İnönü Cad. No: 14 Akar Palas K.1 BEYOĞLU / İSTANBUL

Article 20 — Applicable Law and Dispute Settlement

20.1 Istanbul (Çağlayan) Courts and Execution Offices shall have jurisdiction in all disputes arising out of or in connection with this Contract.

This Contract consists of two original copies in Turkish, one for the Contracting Authority and the other for the Beneficiary.

For the Beneficiary

Name and
Surname

Title

Signature

Date

For the Contracting Authority

Name and Surname

Title

Signature

Date

Article 21 — Annexes

21.1 The following documents are annexed to this Contract and form an integral part of the Contract:

Annex A: Application Form

Annex B: Financial Application Forms

Annex-B1 Budget

Annex-B2 Expected Income

Annex C: Financial Identification Form

Annex D: Standard Request for Payment

Annex E: Financial Reports

Annex E1 Expenditure Reporting

Annex E2 Income Reporting

Annex F: Narrative Reports

Annex F1: Activity Monitoring Report

Annex F2: Implementation Evaluation Report

SAMPLE DOCUMENT