



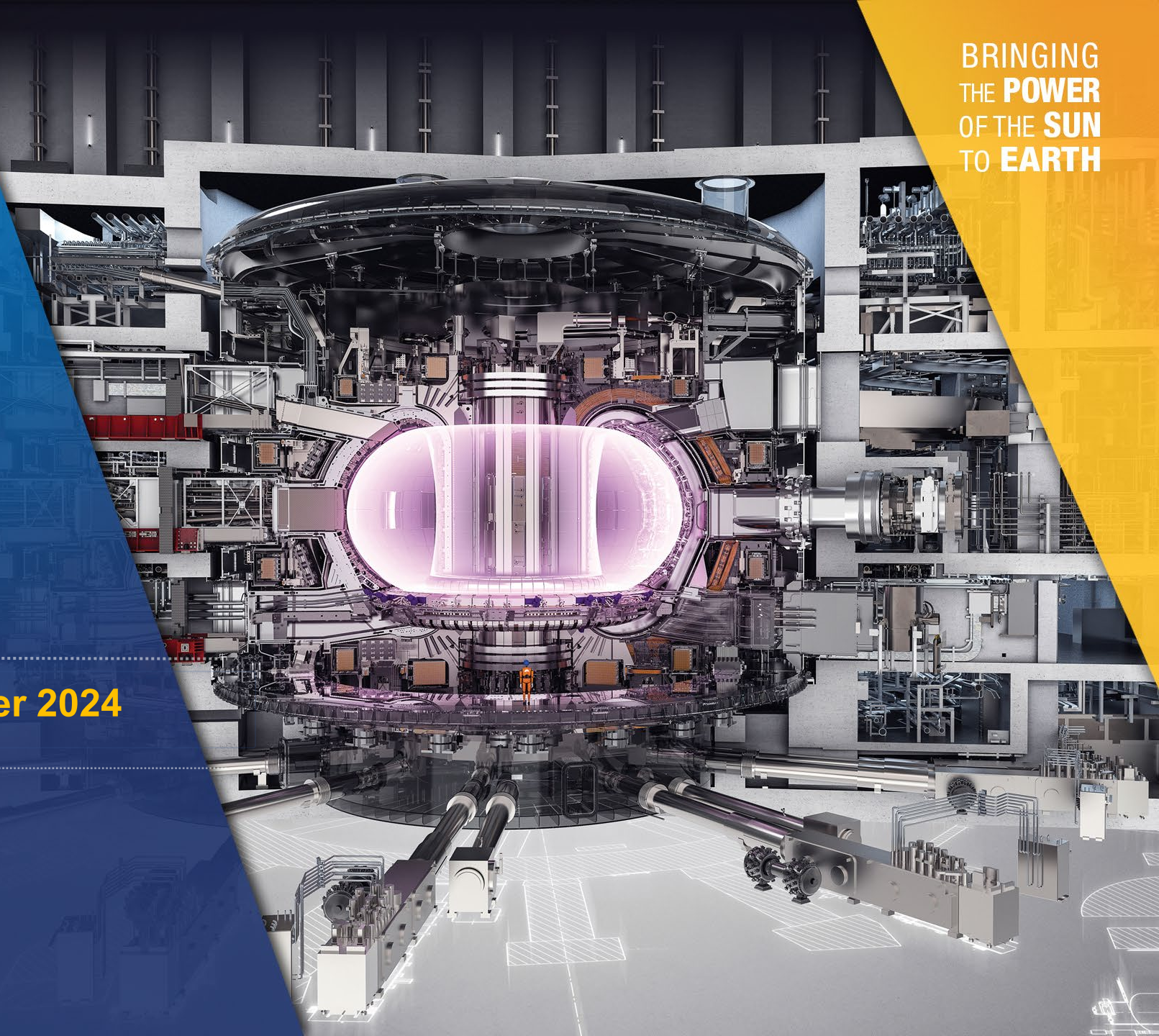
**FUSION
FOR
ENERGY**

**TECHNOLOGY
DEVELOPMENT
PROGRAMME
MODEL CONTRACT**

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BRINGING
THE **POWER**
OF THE **SUN**
TO **EARTH**



- **Technology Development Model Contract terms are under development**
 - **The solutions presented may be subject to changes**
- Your suggestions may be sent until 15 October 2024 to:
- technology-development@f4e.europa.eu

Contract implemented in Stages

- Procurement of R&D services
- Competitive development in phases to identify the solutions offering the best value for money
 - Several **stages of the Contract implementation**, e.g.:
 - Stage 1. State of the art and Design,
 - Stage 2. Prototype Manufacturing and Testing,
 - Stage 3. Strategy for Industrial Production.
 - **Stage 1 is always mandatory.**
 - **The following Stages are optional**, i.e. performed only if:
 - The previous Stage was completed satisfactorily,
 - The Stage Price is within the Ceiling Price for that Stage (unless increase of the Ceiling Price is justified and formalized via Amendment); and
 - F4E issues an instruction to perform the following Stage, at F4E discretion.

Payment terms

- **Lump sum** paid for each Stage:
 - For **Stage 1** the lump sum is **tendered by the Contractor**,
 - For the **other Stages**:
 - the **indicative lump sums** are proposed at the tender stage, together with the list of assumptions and the build-up (list of rates and prices),
 - during the contract implementation the **proposed lump sums may change**, subject to explanation and calculation (as a rule) based on the tendered rates and prices,
 - the lump sum should remain **below the ceiling price** for a given Stage indicated by F4E (subject to exceptions defined by F4E).

Payment terms

- The Contractors are paid for **best efforts**, not necessarily the results
 - F4E will analyze if the Contractors made the best efforts
- Possibility of **70% of pre-financing** for each of the Contract Stages
 - pre-financing guarantee may be required in particular in case of significant pre-financing amounts

Liability

- **No liability for delays or defects, if best efforts** are made by the Contractor to perform the Contract properly
- Overall **liability cap: 30% of the Contract Price**
- Possibility of **no delay damages**

Four parts:

- **General Conditions of Pre-Commercial Procurement Contract** and
- **Schedules to the General Conditions of Pre-Commercial Procurement Contract**
 - **Applicable to all contracts concluded by F4E within the framework of the Technology Development Programme.**
 - **Published on the F4E website.**
- **Specific Conditions of Pre-Commercial Procurement Contract** and
- **Annexes to the Specific Conditions of Pre- Commercial Procurement Contract**
 - **Applicable to particular project.**
 - **Include: data specific for a particular project, identification of Stages of the Contract implementation, deadlines for instructing optional Stages and Prices and other payment conditions.**
 - **Include: the Contractor's tender, Technical Specification and templates of the documents that will need to be prepared for the particular project implementation.**

TDP Model Contract v. standard lump sum service contract



TDP Model Contract	Standard lump sum service contract NOT applicable to TDP Model Contract
Best effort required	As a rule, certain results of the services are required
No warranty	Warranty
Possibility of no delay damages provisions	Delay damages for delays
No liability for defects or not satisfactory results, if best efforts made	Liability for defects or not satisfactory results
Possible pre-financing up to 70%	Pre-financing up to 30%
Liability capped at 30% of the Contract Price	Liability capped at 100% of the Contract Price
No Management Specifications, applicable documents	Management Specifications, applicable documents
IP provisions: Supplier is the owner of Foreground	IP provisions: F4E is the owner of Foreground

Standard lump sum service contract clauses APPLICABLE to TDP Model Contract
Obligation for the Contractor to provide reports on the Contract performance and Acceptance Data Packages within the agreed timeline
Obligation for the Contractor to issue Early Warnings to F4E if an event may affect the Contract performance occurs
Obligation for the Contractor to ensure qualified Staff for the Contract performance
Obligation for the Contractor to comply with the applicable laws
Right of F4E to carry out on-site checks
Right of the Contractor to request for additional time and/or payment in case of Compensation Events
No liability of the Parties in case of Force Majeure
Contract suspension and termination clauses