**Co-Financing Agreement for the Event
No. \_\_\_\_\_\_\_**

The date of the Agreement is the date of its electronic signature.

The foundation “Foundation Liepāja 2027”, registration No. 400008325039, legal address: Rožu iela 6, Liepāja, LV-3401 (hereinafter – the Foundation), jointly represented on the basis of its Statutes by Chair of the Board Inta Šoriņa, Board Member Eva Ciekurze, and Board Member Baiba Bartkeviča, of the one part,

and
\_\_\_\_\_\_\_\_\_\_\_, registration number: \_\_\_\_\_\_\_\_\_\_\_, legal address: \_\_\_\_\_\_\_\_\_\_\_ (hereinafter – the Co-Financing Recipient), represented by \_\_\_\_\_\_\_\_\_\_\_ on the basis of \_\_\_\_\_\_\_\_\_\_\_, of the other part,

each hereinafter individually referred to as a Party, and jointly as the Parties, based on the results of the Foundation’s “Liepāja 2027 International Cultural Project Co-Financing Competition” (hereinafter – the Competition) (commission decision dated XX No. XX), enter into the following agreement (hereinafter – the Agreement):

**1. Subject of the Agreement**

1.1. The Foundation grants financial resources to the Co-Financing Recipient for the implementation of the international cultural and arts event “…” (hereinafter – the Event), and the Co-Financing Recipient shall implement the Event with quality in accordance with this Agreement, the Event proposal and budget submitted to the Competition, as well as in compliance with the Competition Rules and all annexes to this Agreement, which shall be considered integral parts thereof.

1.2. The Co-Financing Recipient shall implement the Event in the period from XX to XX.

1.3. The location of the Event: …

**2. Amount and Payment Procedure of the Co-Financing**

2.1. The total approved amount of co-financing for the implementation of the Event is EUR 0000.00 (amount in words, hereinafter – the Co-Financing).

2.2. The Co-Financing is divided by year as follows:

2.2.1. For the year 2026 – EUR 0000.00 (amount in words);

2.2.2. For the year 2027 – EUR 0000.00 (amount in words).

2.3. The amount of the Co-Financing or the deadlines and procedure for its payment may be modified by a decision of the Foundation’s Board, which shall be binding on both Parties, taking into account the funding granted and thus available to the Foundation for the implementation of the Event.

2.4. The Foundation shall immediately inform the Co-Financing Recipient in writing if, in connection with the approval of the current year's budget of the state or municipality, changes are required in the total amount of the Event’s Co-Financing or in the payment deadlines.

2.5. The Foundation undertakes to disburse the Co-Financing to the Co-Financing Recipient as follows:

2.5.1. The funding allocated for 2026 shall be disbursed within 10 (ten) working days from the date this Agreement enters into force;

2.5.2. The funding allocated for 2027, withholding the retention payment, shall be disbursed within 10 (ten) working days from the approval of the 2026 report.

2.6. The performance guarantee of the Agreement is a retention payment of 5% of the approved total Co-Financing, which shall be paid to the Co-Financing Recipient within 10 (ten) working days after the implementation of all activities related to the execution of the Agreement, submission and approval of reports (including any requested additional information and documents). The completion of the Agreement and the disbursement of the final payment shall be approved by a decision of the Foundation’s Board.

2.7. The Co-Financing shall not be subject to repayment if the Co-Financing Recipient fully fulfills all obligations stipulated in this Agreement.

**3. Rights and Obligations of the Parties**

3.1. Rights and Obligations of the Co-Financing Recipient:

3.1.1. Use the Co-Financing exclusively for the implementation of the Event, according to the designated expenditure items in the Budget (Annex No. 1). Any changes to the budget lines are only permitted with prior written agreement by both Parties.

3.1.2. Request and receive advice and recommendations from the Foundation to ensure the most successful implementation of the Event.

3.1.3. Justifiably request a revision of the Event budget if changes exceed 10% of the allocated Co-Financing and/or a new, previously unplanned expense item has been justifiably added.

3.1.4. If the Event is not implemented within the specified timeframe or according to the Budget or the Event concept, repay the received Co-Financing, based on a decision of the Foundation's Board.

3.1.5. Make all payments listed in the Event Budget from the bank account into which the Co-Financing was transferred by the Foundation.

3.1.6. Be responsible for the appropriate use of expenses necessary for the implementation of the Event, ensuring proper accounting of all income and expenses related to the execution of the Agreement.

3.1.7. Obtain written approval from the Foundation for any significant changes to the Event name, concept, timing, venue, or invited artists/experts. If approval is not obtained, the Foundation may, after evaluating compliance with the originally approved application, unilaterally adjust the amount of Co-Financing or refuse further payments.

3.1.8. Promptly inform the Foundation in writing about any circumstances that may affect the quality, deadlines, or marketing activities of the Event.

3.1.9. Upon request by the Foundation and within the specified deadline, submit in writing all necessary information related to the implementation of the Event and the execution of the Agreement.

3.1.10. Submit content, financial, and publicity reports to the Foundation (Annexes No. 5 and 6) by the following deadlines:

By 1 November 2025 – covering the content and expenses until 30 September 2025;

By 1 November 2026 – covering expenses and activities from 1 October 2025 to 30 September 2026;

By 1 November 2027 – covering expenses and activities from 1 October 2026 to 30 September 2027;

Final report – for the period from 1 October 2026 until the full completion of the Event, to be submitted no later than 2 (two) months after the Event has been fully implemented.

3.1.11. Reports must be electronically signed and sent to the email addresses: birojs@liepaja2027.lv and anna.sile@liepaja2027.lv.

3.1.12. The Event must be free of charge, or the income from the Event must not exceed 50% of its actual costs.

3.1.13. Provide the Foundation with unrestricted free access for up to 5 persons to the Event(s).

3.1.14. Maintain and organize documentation related to the Event in such a way that, upon request by the Foundation, it can be submitted to the Foundation or any other competent authority.
3.1.15. Ensure publicity and communication activities in accordance with the agreed Event Marketing and Communication Plan.

3.1.16. Upon the Foundation’s request and within the specified deadline, submit in writing or electronically all necessary information to the Foundation or to third parties designated by the Foundation, related to the implementation of the co-financed Event and execution of the Agreement, or for research/monitoring/data collection/analysis purposes.

3.1.17. A representative of the Foundation has the right to prepare an act and record any non-compliance in the implementation or execution of the Event, if such is found. The Foundation must immediately inform the Co-Financing Recipient of the act and its content. If violations are identified, the Foundation has the right to request an explanation or adjust the Co-Financing accordingly.

3.1.18. The Co-Financing Recipient is obligated, upon a justified request from the Foundation, to repay unused funds and/or any unapproved Co-Financing amounts to the Foundation.

**3.2. Duties and Rights of the Foundation:**

3.2.1. Monitor and supervise the performance of the Agreement and assess its compliance with the objectives of the “Liepāja – European Capital of Culture 2027” programme;

3.2.2. Evaluate the documents submitted by the Co-Financing Recipient in accordance with the procedures specified in the Agreement and provide timely responses if needed;

3.2.3. Make amendments to the reporting forms and inform the Co-Financing Recipient accordingly;
3.2.4. Provide consultations to the Co-Financing Recipient on matters related to the execution of the Agreement;

3.2.5. Disburse the Co-Financing in a timely manner in accordance with the terms and procedures of the Agreement;

3.2.6. If necessary, engage an expert to verify whether the costs indicated in the reports are related to the implementation of the Event, reasonable, and economically justified;
3.2.7. Upon identifying a discrepancy in the implementation of the Agreement with applicable laws or the terms of the Agreement, request the Co-Financing Recipient to provide an explanation for the discrepancy and to remedy it within the deadline set by the Foundation;
3.2.8. At any stage of the Event implementation, carry out inspections at the Event site and review documentation to ensure that the Co-Financing Recipient complies with the terms of this Agreement;

3.2.9. Suspend the disbursement of Co-Financing and reclaim disbursed funds in cases where the Co-Financing Recipient has discontinued the implementation of the Event;
3.2.10. Request necessary information for the implementation of the Agreement from the Co-Financing Recipient, setting a deadline for its submission;

3.2.11. Recover ineligible expenses from the Co-Financing Recipient, including by submitting a creditor’s claim for such expenses in the event of the Recipient’s insolvency or liquidation.

**4. Liability of the Parties and Other Provisions**

4.1. For partial or full non-performance of the Agreement, the Parties shall bear liability in accordance with the terms of this Agreement and the applicable laws and regulations of the Republic of Latvia.

4.2. Each Party shall be responsible for fulfilling its obligations and for the consequences of their non-performance. A Party shall be materially liable to the other Party and to third parties for any damage caused by its actions or omissions or those of its authorized representatives. The Foundation shall not be liable for any losses caused by the Co-Financing Recipient to third parties and shall not compensate such losses.

4.3. If the Event is not implemented, the Co-Financing Recipient, upon request by the Foundation's Board, shall repay the full amount of the received Co-Financing to the Foundation’s account, along with a contractual penalty determined by the Board, which shall not exceed 10% of the disbursed Co-Financing.

4.4. If either Party involves a third party in the execution of the Agreement, that Party shall retain full responsibility for fulfilling the Agreement’s obligations and shall be fully materially liable for any direct or indirect damage caused by the third party.

4.5. A change in the owner or legal form of a Party shall not be grounds for termination of the Agreement. The obligation to perform the Agreement shall transfer to the respective Party’s legal successor.

4.6. Amendments to the Agreement and its annexes may be made only by mutual written agreement of the Parties.

4.7. Amendments to the Agreement shall be formalized in writing and shall enter into force once signed by both Parties. All amendments shall be appended to the Agreement and shall become an integral part of it.

4.8. A written notice of changes to basic information (contact details, including change of representative, legal address, bank account details) shall become an integral part of the Agreement from the moment it is received.

4.9. The Co-Financing Recipient shall be responsible for ensuring that the content of the information submitted to the Foundation complies with copyright, related rights, and other intellectual property protection laws, and shall be liable for any violations of such rights and the resulting consequences. The Co-Financing Recipient guarantees that it holds the necessary licenses, permissions, or consents from intellectual property rights holders for the use of informational materials. By submitting or sending the informational materials to the Foundation, the Co-Financing Recipient confirms that it holds the relevant permissions from the authors or rights holders of the works used in such materials for their use and distribution.
4.10. When processing information/personal data, the Parties shall comply with the applicable requirements set out in legislation.

4.11. The Co-Financing Recipient is obliged to inform the data subject about the processing of personal data in accordance with legal procedures and, where necessary, to obtain consent for data processing from event participants and visitors. By submitting or sending informational materials to the Foundation, the Co-Financing Recipient confirms that it holds the consents of the data subjects for the processing of their personal data to the extent necessary for the use of the informational materials.

**5. Marketing and Communication Activities**

5.1. The Co-Financing Recipient shall comply with the “Communication Guidelines for ‘Liepāja 2027’ Partners” (Annex No. 2).

5.2. The Co-Financing Recipient shall coordinate the Event’s marketing and communication plan with the Head of the Public Relations and Marketing Department of the foundation “Liepāja 2027” as soon as possible, but no later than within 3 (three) months from the conclusion of the Agreement. Contact email: zita.lazdane@liepaja2027.lv, phone: +371 22 017 277.

5.3. Once approved, the Event’s marketing and communication plan shall be appended to the Agreement and become an integral part thereof.

**6. Force Majeure**

6.1. The Parties shall not be held liable for non-performance, improper performance, or delay in fulfilling their obligations under this Agreement, if such failure is caused by circumstances of force majeure which the respective Party could not foresee, prevent, or influence. Such circumstances include natural disasters (earthquakes, floods, storms, etc.), strikes, any acts of war or terrorism, as well as regulatory enactments issued by state or municipal institutions that result in the impossibility to fulfill the obligations of the Agreement.

6.2. In the event of force majeure, the other Party must be notified in writing within two working days after such circumstances have arisen. The occurrence of force majeure must be confirmed with a document issued by a competent authority.

6.3. Upon the occurrence of force majeure, the Parties must take all necessary steps to avoid or mitigate losses.

6.4. In case of force majeure, the deadlines for fulfilling the terms of the Agreement shall be extended by the period during which the force majeure circumstances persist.

6.5. If the force majeure continues for more than one month, either Party has the right to terminate the Agreement by written notice.

**7. Exchange of Information and Contact Persons of the Parties**

7.1. Any exchange of information binding on the Parties in relation to the Agreement must be made in writing and sent to the addresses specified in the Agreement or to the following email addresses:

7.1.1. Foundation’s email: birojs@liepaja2027.lv

7.1.2. Co-Financing Recipient’s email: XX

7.2. In urgent cases, information may be exchanged via telephone using available communication platforms.

7.3. Notices sent to the email addresses referred to in Clause 7.1 shall be considered received on the next day after dispatch. If the next day is a holiday, the notice shall be deemed received on the first working day thereafter.

7.4. The Co-Financing Recipient’s contact person for the implementation of this Agreement is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, phone no. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, whose duty is to ensure mutual communication and the exchange of information between the Parties.

7.5. The Foundation’s contact person for the implementation of this Agreement is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, phone no. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, whose duty is to ensure mutual communication and the exchange of information between the Parties.

7.6. The contact persons are obliged to process received information within the shortest possible time and respond to the other Party’s contact person.

**8. Duration and Termination of the Agreement**

8.1. The Agreement enters into force upon signing and remains valid until all obligations under the Agreement are fully fulfilled.

8.2. The Foundation may unilaterally terminate the Agreement by notifying the Co-Financing Recipient in writing without delay, if:

8.2.1. The Co-Financing Recipient fails to comply with the provisions of the Agreement, including deadlines, or other circumstances arise that negatively impact the implementation or goal of the Agreement.

8.2.2. The Co-Financing Recipient has knowingly provided false information to the Foundation, including about the Event location and the individuals responsible for fulfilling the Agreement.

8.2.3. The Foundation does not have access to funding.

8.2.4. In cases provided for in regulatory enactments.

8.3. The Co-Financing Recipient has the right to unilaterally terminate the Agreement by notifying the Foundation in writing without delay and repaying the received funding within five (5) days from the notification or request from the Foundation (if no notification was submitted). The Agreement shall be deemed terminated once the received funding has been fully repaid to the Foundation.

8.4. Deadlines set in the Agreement or correspondence, calculated in years, months, or days, begin on the day following the date or event that determines their commencement. The start date cannot be determined based on information provided by telephone.

**9. Dispute Resolution**

9.1. Any matters not expressly regulated by the Agreement shall be governed by applicable laws and regulations. References to laws shall be interpreted as references to the version in force at the time the relevant provision of the Agreement is applied or executed.

9.2. If one or more provisions of this Agreement become invalid in any way, it shall not affect the validity, legality, or enforceability of the remaining provisions. In such a case, the Parties shall undertake to revise the invalid provisions in accordance with the applicable law. If there is a conflict between the Agreement and legal regulations, the provisions of legal regulations shall prevail.

9.3. Disputes arising out of or related to the Agreement shall be resolved through negotiations between the Parties. If an agreement is not reached within 30 (thirty) days from the beginning of negotiations, disputes shall be settled according to the procedure prescribed by law.

**10. Final Provisions**

10.1. Both Parties shall have access to a mutually signed copy of the Agreement in electronic format.

10.2. The Agreement includes the following annexes:

1. Annex – Budget;
2. Annex – “Communication Guidelines for ‘Liepāja 2027’ Partners”;
3. Annex – Accessibility Guidelines [to be made available upon signing the agreement];
4. Annex – Eco-design Guidelines [to be made available upon signing the agreement];
5. Annex – Content and Publicity Report on the Implementation and Results of the Event;
6. Annex – Financial Report on the Use of the Allocated Funding.

On behalf of the Foundation: [name, surname, position]
On behalf of the Co-Financing Recipient: [name, surname, position]