

Ms Eva Anderová  
Ministry of Finance of the Czech Republic  
Centre for Foreign Assistance  
Letenská 15  
118 10 Prague 1  
Czech Republic

Brussels, 8 August 2008

Subject: Application CZ0069 – Extension of the pavilion “C” and annex of the evaluation lift

Dear Ms Anderová,

It is my pleasure to inform you that the Financial Mechanism Committee made a positive decision regarding grant application CZ0069 – entitled “Extension of the pavilion “C” and annex of the evaluation lift” on 6 August 2008.

This correspondence constitutes a Grant Offer Letter as described in section 4.7 of the Rules and Procedures for the implementation of the EEA Financial Mechanism 2004-2009. This letter will form an integral part of the Grant Agreement as Annex I. The offer is subject to the provisions, limitations and conditions set out below.

#### **General description of the Grant**

- The Grant shall not exceed the amount of **€ 1,073,646**.
- The estimated eligible project cost is **€ 1,263,113**.
- The estimated total project cost is **€ 1,307,757**.
- The grant rate shall not exceed **85 percent** of the total, final eligible cost for the completed Project.
- First date of eligibility: **06 August 2008** unless a different date is stated under the conditions for the Grant in this Grant Offer Letter.
- Estimated duration: **25 months**
- Last date of eligibility: **30 April 2011**
- Advance payment: **0 percent** of the grant
- Off-set mechanism: Not Applicable

#### **Summary description of the Project**

The purpose of the Project is to improve the quality of the provided services in the nursing home Domov pro seniory Stachy – Kůsov (Kůsov 1, 384 73 Stachy, Registration Number (IČO): 00477095) and the living standard of the nursing home users; with the overall objective of development and improvement of the living standard of nursing home users and of the

services provided to them in the Czech Republic. Reference is made to the application dated 11 September 2007 and any subsequent correspondence with the Focal Point.

The completed Project shall include the following activities and results:

- (1) Renovation and refurbishment of the pavilion "C" (lot No. 568), including fittings and installation of a small evacuation lift (serving 2 floors);
- (2) Construction of an annex to the pavilion "C", including fittings and construction of a large evacuation lift (serving 4 floors);
- (3) Purchase of furnishings and equipment;
- (4) External works and utility connections;
- (5) Project management (including publicity).

The Project Promoter is the Domov pro seniory Stachy – Kůsov.

Subject to national law, the Project shall be implemented in partnership with the Jihočeský kraj (South Bohemian region).

The Focal Point shall ensure that the Project Promoter provides at least 15 percent of the total eligible Project costs.

#### **Project specific conditions**

The grant is awarded under the following general conditions specific for this project:

- (a) The Focal Point shall ensure that the Project Promoter keeps the equipment purchased within the Project properly insured against losses such as fire, theft and other normally insurable incidents both during Project implementation and for at least 5 years following the approval of the Project Completion Report.
- (b) The Focal Point shall ensure that the purchased equipment remains in the ownership of the Project Promoter and used for the benefit of the overall objective, both during Project implementation, and for at least 5 years following the approval of the Project Completion Report.
- (c) The Focal Point shall ensure that the Project Promoter keeps the property constructed and/or renovated within the Project properly insured against losses such as fire, theft and other normally insurable incidents, both during the Project implementation and for at least 10 years following the approval of the Project Completion Report.
- (d) The Focal Point shall ensure that the property constructed and/or renovated within the Project remains in the ownership of the Project Promoter and used for the benefit of the overall objective of the Project, both during the Project implementation and for at least 10 years following the approval of the Project Completion Report.
- (e) The Focal Point shall ensure that any residual or extracted material from the works must be reused, recycled, treated and/or deposited in an environmentally sound manner and documentation of this must be given as a part of the Project Interim Reports.
- (f) The Focal Point shall ensure that the assistance granted to the Project complies with the rules related to state aid, including all substantive and procedural rules within the framework of state aid control. The Focal Point shall take the measures it deems necessary to ensure such compliance. The approval of the Project by the Financial Mechanism does not imply a positive assessment of such compliance.

The following conditions shall be fulfilled prior to the first disbursement:

n/a.

The following conditions shall be fulfilled before completion of the project:

n/a.

After the completion of the Project, the Focal Point shall comply with the following specific post completion obligations:

The Focal Point shall ensure that the Project Promoter properly maintains the property and establishes a separate account dedicated to the maintenance of the results of the Project into which an appropriate annual sum shall be paid, which shall be annually not less than 1.0 percent of the total Project cost.

The grant /grant rate applied for has been reduced on the following grounds:  
n/a.

Other:  
n/a.

The Financial Mechanism Committee may retain up to 5% of the estimated eligible project cost until the Project Completion Report referred to in Article 3.5 of the Grant Agreement has been approved.

**Information related to the implementation of the Project**

The implementation of the Grant shall be subject to the Rules and Procedures for the implementation of the EEA Financial Mechanism 2004-2009, the Grant Agreement entered into between the parties, all Guidelines and Guides published by the Financial Mechanism Office, as well as the conditions set out above. Failure to comply with the rules and conditions will in the first instance lead to suspension of payments of the Grant.

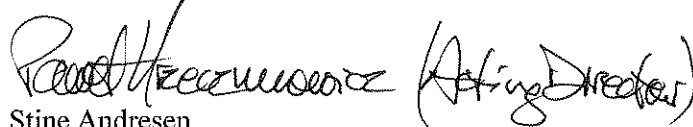
The Focal Point as well as the applicant must accept this grant offer and the conditions made in it in writing no later than **four weeks** from the date of this letter. A completed, electronic version of the Project Implementation Plan must be sent to the FMO at the latest at the date of the sending of the letter with acceptance of this Grant Offer. The Grant Agreement shall be signed within three months from the date of this letter. By signing the Grant Agreement the Focal Point formally confirms its acceptance of the offer, including its conditions.

Payment claims can only be sent to the Financial Mechanism Office once the Grant Agreement has been signed and any pre-disbursement conditions have been met.

Payments will be disbursed into IBAN bank account no / BIC code: CZ17 0710 0345 3400 0635 5021 / CNBACZPP held by the Ministry of Finance of the Czech Republic - National Fund.

The Task Manager for this Project at the Financial Mechanism Office is Helene Ronning (helene.ronning@efta.int). The Financial Mechanism Office looks forward to working with you to bring about the rapid signature of the Grant Agreement.

Yours sincerely,



Stine Andresen

*Director*

*Financial Mechanism Office*

