

PART B

CONTRACT AND SPECIAL CONDITIONS

Software Development Services for SmartGreenEcos Platform 3

Digital Procurement Platform and Supporting Testing Services for SmartGreenEcos Platforms 1, 2 and 4.

Contracting Entity: RTD Talos Ltd



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This Part B is to be completed with the successful Tenderer following award. It is to be read together with Part A, Annex 1 - Technical Specifications, the accepted Technical and Financial Offers, and any applicable clarifications or addenda.

1. Contract Formation and Documents

1.1 Parties

This Contract is made between RTD Talos Ltd, a company incorporated in Cyprus ("TALOS"), and the successful Tenderer identified in Schedule 1 (the "Contractor"). TALOS and the Contractor are each a "Party" and together the "Parties".

1.2 Effective Date and Binding Effect

The Contract becomes binding on the date of the last signature. No chargeable work shall begin before the Commencement Date stated in Schedule 1 or a written notice to proceed issued by TALOS.

1.3 Contract Documents and Order of Precedence

The Contract consists of the following documents. In the event of inconsistency, the earlier item in the list shall prevail to the extent of the inconsistency:

1. The signed Contract Particulars and any signed amendment or change order;
2. This Part B - Contract and Special Conditions;
3. Written tender clarifications and addenda issued by TALOS;
4. Annex 1 - Technical Specifications;
5. The accepted Technical Offer;
6. The accepted Financial Offer and Price Schedule; and
7. Part A - Instructions to Tenderers, to the extent relevant after award.

The Contractor shall promptly notify TALOS of any material inconsistency identified during performance and shall not rely on an inconsistency to reduce the mandatory scope without TALOS's written agreement.

1.4 Entire Agreement

The Contract records the entire agreement between the Parties concerning its subject matter and replaces prior discussions or representations not incorporated into the Contract.

2. Scope, Term and Delivery

2.1 Scope

The Contractor shall design, develop, configure, integrate, test, deploy, support during pilot operation, document, train and hand over SmartGreenEcos Platform 3 and shall provide supporting testing services for SmartGreenEcos Platforms 1, 2 and 4 in accordance with the Contract Documents. The mandatory scope includes all requirements expressly stated as mandatory in Annex 1, including all Must-priority requirements.

Optional items are excluded unless TALOS activates them by written instruction or signed change order. No optional item may be used to replace or defer work required for the mandatory scope.

2.2 Term

The Contract shall commence on the Commencement Date and continue until Final Acceptance, completion of the agreed handover and expiry of any obligations that expressly survive completion. The planned Completion Date is 31 May 2027.

2.3 Milestones and Delivery Plan

The Contractor shall perform the work in accordance with the milestones in Schedule 1 and the approved detailed work plan. Within ten working days after the Commencement Date, the Contractor shall confirm the detailed schedule, dependencies, decision points, demonstrations, integration activities, testing and resource allocation.

2.4 Delay and Recovery

The Contractor shall notify TALOS without delay of any actual or expected delay, explain its cause and effect, and submit a practical recovery plan. Approval of a revised work plan does not waive TALOS's rights unless expressly stated in writing. Delay caused solely by TALOS or by an identified external project dependency shall be addressed through the change-control procedure.

3. Contractor Obligations

3.1 Standard of Performance

The Contractor shall perform the Contract with due skill, care and diligence, using suitably qualified personnel and generally accepted professional software-development, cybersecurity, testing and project-management practices.

3.2 Core Obligations

- deliver a complete, secure, maintainable and documented solution that complies with the Contract Documents;
- coordinate constructively with TALOS, the WP4 technical/platform lead IWTD and the other SmartGreenEcos platform teams for the interfaces affecting Platform 3;
- support the development of SmartGreenEcos Platforms 1, 2 and 4 by providing supporting testing services towards these Platforms employing and coordinating the participation of the Cypriot SMEs engaged with the SmartGreenEcos project.
- maintain current source code, configuration, infrastructure-as-code, database scripts, documentation, issue records and test evidence throughout the Contract;
- provide regular demonstrations and status information sufficient for TALOS to monitor scope, schedule, risks and expenditure;
- obtain TALOS's written approval before materially changing the accepted architecture, core technologies, hosting approach, key personnel or subcontracting arrangement;
- comply with applicable law, the Interreg NEXT MED funding context and reasonable audit or verification requests; and
- avoid any unauthorized use or disclosure of project, SME, bidder, supplier, buyer or commercially sensitive information.

3.3 Tools, Environments and Accounts

Unless otherwise agreed, development tools and internal working environments are the Contractor's responsibility. Production and other project-critical cloud accounts, repositories and administrative credentials shall be created in Talos-controlled accounts or transferred to TALOS no later than the relevant deployment milestone. The Contractor shall not retain exclusive control over any account required to operate or maintain the delivered system.

3.4 Compliance with Instructions

The Contractor shall comply with reasonable written instructions issued by TALOS that are consistent with the Contract. An instruction that changes scope, price or schedule shall be handled under Section 9.3.

4. Talos Obligations and Contract Governance

4.1 TALOS Obligations

- provide available project information, decisions, access and contact points reasonably required for performance;
- coordinate access to the relevant SmartGreenEcos partners and project-level integration arrangements;
- review submitted deliverables and provide consolidated comments within the review periods stated in the Contract;

- make payments for accepted milestones in accordance with Section 5; and
- notify the Contractor of any applicable funding, branding, reporting, data-protection or audit requirements not already stated in the Contract Documents.

4.2 Representatives and Meetings

Each Party shall appoint a contract representative in Schedule 1. The representatives shall manage day-to-day coordination but may not amend the Contract unless expressly authorized. The Contractor shall participate in regular progress meetings, normally every two weeks during active development and more frequently where necessary for integration, UAT or pilot support.

4.3 Status Reporting

The Contractor shall provide a concise written status report before each regular progress meeting, covering completed work, upcoming work, milestone status, decisions required, risks, issues, changes, testing and any dependency affecting delivery.

5. Contract Price, Invoicing and Payment

5.1 Contract Price

The Contract Price is the fixed lump-sum amount stated in Schedule 1, including VAT. It includes all labor, management, development, configuration, integration, testing, deployment, meetings, documentation, localization, training, pilot support, defect correction, overhead and profit required for the mandatory scope, together with all third-party costs stated as included in the accepted Financial Offer.

5.2 Invoices and Milestone Payments

The Contractor may invoice a milestone only after TALOS has accepted the corresponding deliverables in writing. Each invoice shall identify the Contract, milestone, accepted deliverables, amount excluding VAT, VAT where applicable, and any supporting information reasonably required for project verification.

TALOS shall pay a valid and undisputed invoice within 30 calendar days after receipt. If part of an invoice is disputed, TALOS shall notify the Contractor promptly and may pay the undisputed part while the Parties resolve the disputed amount.

5.3 No Additional Payment

No additional payment is due for underestimated effort, wage increases, exchange-rate variation, rework needed to achieve compliance, or an item reasonably necessary for the mandatory scope but omitted from the Contractor's price. Additional work is payable only where authorized through a signed change order.

5.4 Taxes and Costs

The Contractor is responsible for its own taxes, insurance, personnel and operating costs. VAT shall be shown separately where applicable. Travel or other expenses are included in the Contract Price unless TALOS has approved them in writing in advance as a separate reimbursable item.

6. Delivery, Acceptance and Defect Correction

6.1 Submission of Deliverables

The Contractor shall submit each deliverable through the agreed repository or delivery channel, together with a short delivery note identifying the milestone, version, contents, applicable acceptance requirements, known limitations and supporting test evidence.

6.2 Review and Acceptance

TALOS shall normally review a submitted milestone within fifteen working days and shall issue one of the following decisions:

- Accepted - the deliverable satisfies the applicable requirements;
- Conditionally accepted - only minor defects remain and the Contractor has agreed a correction plan; or
- Rejected - one or more material requirements are not met, with reasons and required corrective action.

Silence or use for testing does not constitute acceptance. Acceptance of a milestone does not waive a latent defect or relieve the Contractor of responsibility for compliance with the complete Contract.

6.3 Correction and Resubmission

The Contractor shall correct rejected or conditionally accepted work without additional charge and resubmit it within the period specified by TALOS or otherwise agreed. Repeated failure to achieve acceptance may constitute material breach.

6.4 Final Acceptance

Final Acceptance shall occur only when the mandatory solution is operational in the agreed environments, all required tests and integrations have been completed, required documentation and training have been delivered, source code and administrative control have been handed over, and all Critical and Major defects have been resolved. Minor defects may remain only where Talos has accepted a written correction plan and timetable.

6.5 Warranty and Pilot Support

The Contractor shall correct defects arising from non-compliance with the Contract throughout development, UAT and pilot operation. A warranty period of three hundred and sixty five (365) calendar days shall apply following Final Acceptance. During this period, the Contractor shall correct, at no additional cost, any defect attributable to the delivered software or to non-compliance with the Contract, in accordance with Schedule 2. A defect reported during the warranty period shall remain subject to correction even where the correction is completed after the warranty period has expired.

7. Intellectual Property, Source Code and Third-Party Components

7.1 Project Deliverables

Subject to payment of the relevant accepted milestone, TALOS shall own the bespoke source code, configurations, data models, interface specifications, documentation, test materials, training materials and other deliverables created specifically under the Contract, subject to applicable SmartGreenEcos and Interreg NEXT MED obligations.

7.2 Background Materials

Each Party retains ownership of materials, software, methods and know-how developed independently of the Contract. Where the Contractor's background material is embedded in or necessary to use, maintain, redeploy or further develop the solution, the Contractor grants TALOS a perpetual, worldwide, irrevocable, transferable, royalty-free license to use, copy, modify and permit service providers to use that material for Platform 3 and related project operation and sustainability purposes.

7.3 Source Code and Repository

The Contractor shall maintain current source code and technical assets in a version-controlled repository accessible to TALOS from an early stage of development. No later than Final Acceptance, Talos shall receive full repository history, build and deployment instructions,

infrastructure-as-code, configuration templates, database scripts, credentials under TALOS control and all materials needed for independent operation, maintenance and further development.

7.4 Third-Party and Open-Source Components

The Contractor shall use only components disclosed in the Technical and Financial Offers or subsequently approved by TALOS. License terms, support status, data-location implications, usage limits and recurring costs shall be documented. The Contractor shall not introduce a license or technical restriction that materially prevents TALOS from operating, maintaining, redeploying or further developing the solution as contemplated by the Contract.

7.5 Infringement

The Contractor warrants that it has the rights needed to provide the deliverables and licenses. If a credible infringement claim arises, the Contractor shall, at its cost, obtain the necessary rights, replace or modify the affected item without material loss of function, or refund the amount paid for the unusable affected item if no reasonable remedy is available.

8. Data Protection, Security and Confidentiality

8.1 Data Protection

Each Party shall comply with applicable data-protection law. Where the Contractor processes personal data on behalf of TALOS, the Parties shall apply a data-processing arrangement consistent with Article 28 GDPR, including documented instructions, confidentiality, security, assistance with data-subject requests, incident support, subprocessors, deletion or return and audit information.

8.2 Hosting and Data Use

Production data shall be hosted primarily in the European Union unless TALOS approves another arrangement consistent with the Technical Specifications and applicable law. The Contractor shall not use project, SME, user, transaction or document data to train external AI models or for any unrelated purpose without TALOS's prior written authorization.

8.3 Security

The Contractor shall implement the security controls required by Annex 1, apply least privilege, protect credentials, maintain secure development and deployment practices, and promptly correct identified vulnerabilities. The Contractor shall notify TALOS of any actual or reasonably suspected security or personal-data incident affecting the Contract without undue delay and, where possible, within 24 hours after becoming aware of it.

8.4 Confidentiality

Each Party shall keep confidential information received from the other Party secure and shall use it only for the Contract. Disclosure is permitted to personnel, subcontractors, professional advisers, project authorities and auditors who need the information and are subject to appropriate confidentiality obligations, or where required by law. This obligation continues for five years after completion, and for trade secrets for as long as they remain protected as such.

8.5 Return and Deletion

On completion or termination, the Contractor shall return or transfer project data and confidential materials to TALOS and securely delete remaining copies, except where retention is legally required. Any retained copy shall remain protected and shall not be used for another purpose.

9. Personnel, Subcontracting and Change Control

9.1 Key Personnel

The Contractor shall provide the personnel and availability stated in its accepted Tender. Replacement of the project lead, technical lead or another person material to delivery requires TALOS's prior written approval and a replacement of equivalent or better capability. The Contractor remains responsible for continuity and knowledge transfer.

9.2 Subcontracting

The Contractor may use only the subcontractors identified in the accepted Tender or subsequently approved by TALOS. Subcontracting does not reduce the Contractor's responsibility. The Contractor shall ensure that subcontractors comply with all relevant intellectual-property, confidentiality, data-protection, security and audit obligations.

9.3 Change Control

A change to scope, price, milestone dates, acceptance requirements, key technology or another material Contract term is valid only through a written change order signed by authorized representatives of both Parties. A change request shall describe the reason, scope, impact on price and schedule, risks and acceptance implications. The Contractor shall continue unaffected work while a change request is considered.

10. Liability, Termination and Force Majeure

10.1 Responsibility and Liability

Each Party is responsible for direct loss caused by its breach of the Contract, negligence or unlawful act. Neither Party is liable for indirect or consequential loss, loss of profit or loss of opportunity, except where such exclusion is not permitted by law. Subject to the preceding sentence, each Party's aggregate liability under the Contract shall not exceed the Contract Price, except for fraud, willful misconduct or any liability that cannot lawfully be limited.

10.2 Termination for Breach

A Party may terminate the Contract by written notice where the other Party commits a material breach and fails to remedy it within ten working days after receiving a notice describing the breach and required remedy. Talos may terminate immediately for fraud, serious confidentiality or security misconduct, abandonment of the work, insolvency or a material conflict of interest that cannot be mitigated.

10.3 Termination for Project or Funding Reasons

TALOS may terminate all or part of the Contract on 20 working days' written notice where the project, funding or relevant activity is suspended, reduced or discontinued for reasons not caused by the Contractor. Talos shall pay for accepted work completed up to the effective termination date and reasonable unavoidable commitments previously approved by TALOS, but not for lost profit on unperformed work.

10.4 Consequences of Termination

On termination, the Contractor shall stop affected work safely, preserve project assets, provide all completed and in-progress materials, transfer repositories, data, documentation and credentials, and provide reasonable transition assistance. Rights concerning payment, intellectual property, confidentiality, data protection, audit, liability and dispute resolution survive termination where their nature requires.

10.5 Force Majeure

A Party is not liable for delay caused by an event beyond its reasonable control that could not reasonably have been prevented or overcome. The affected Party shall notify the other promptly,

mitigate the effect and resume performance as soon as practicable. If the event materially prevents performance for more than 30 calendar days, either Party may request an agreed adjustment or terminate the affected part of the Contract.

11. Audit, Records and General Provisions

11.1 Audit and Records

The Contractor shall keep accurate records supporting invoices, deliverables, licenses, subcontracting, testing, security and acceptance, and shall provide reasonable access to TALOS, Interreg NEXT MED, national and European Union verification or audit bodies. Records shall be retained for the period required by applicable project and funding rules and communicated by TALOS.

11.2 Publicity and References

The Contractor shall comply with project branding and publicity instructions applicable to deliverables. The Contractor may not issue a public announcement or use TALOS, SmartGreenEcos, Interreg NEXT MED or partner names and logos as a commercial reference without prior written approval, except for factual disclosure required by law.

11.3 Assignment

Neither Party may assign the Contract without the other Party's prior written consent, except that TALOS may assign it to a project successor or affiliated entity responsible for Platform 3 operation, subject to applicable funding rules.

11.4 Notices

Formal notices shall be sent to the addresses and emails in Schedule 1. A notice is effective when delivered by hand, recorded delivery or acknowledged email. Day-to-day project communications may use the agreed collaboration channels but do not amend the Contract.

11.5 Governing Law and Disputes

The Contract is governed by the laws of the Republic of Cyprus. The Parties shall first attempt in good faith to resolve a dispute through their contract representatives and senior management. If unresolved, the courts of Cyprus shall have jurisdiction.

11.6 Miscellaneous

Failure to enforce a right is not a waiver. If a provision is invalid or unenforceable, the remaining provisions remain effective and the Parties shall replace the affected provision with a lawful provision having the closest practical effect. The Contract may be signed in counterparts and by electronic signature.

Schedule 1 - Contract Particulars and Milestones

Item	Contract Particular
Contract title	Software Development Services for SmartGreenEcos Platform 3 - Digital Procurement Platform and Supporting Testing Services for SmartGreenEcos Platforms 1, 2 and 4.
Contract reference	01082026
Talos	RTD Talos Ltd, Diogenous 1, Kykkos' Commercial Center, Block A, 4th Floor, 2404 Egkomi, Lefkosia, Cyprus, HE115315
Contractor	[successful Tenderer name, registration number and address]
Commencement Date	[insert following award; expected September/October 2026]
Completion Date	31 May 2027
Contract Price	EUR [insert], including VAT
Invoice payment period	30 calendar days after receipt of a valid, undisputed invoice for an accepted milestone
Warranty period	365 calendar days after Final Acceptance
Talos representative	Dr. Demetris Eliades, Director of Private Sector Projects, SmartGreenEcos Project Coordinator, de@talos-rtd.com
Contractor representative	[name, role and email]
Formal notice email - TALOS	talos@talos-rtd.com
Formal notice email - Contractor	[insert]

Milestones and Payment Allocation

Milestone	Indicative Deadline	Minimum Deliverables	Payment
ML1 - Inception and design confirmation	Within 20 calendar days of Commencement	Approved detailed work plan; solution design and data model; initial Integration Control Document; test and acceptance plan; confirmed risks and dependencies.	15%
ML2 - Core MVP demonstration	End of Month 3	Demonstrable core workflows for Apps 3.1 and 3.2; shared services; initial AI/MCP findability functions; development environment and repository evidence.	20%
ML3 - Integrated UAT release	End of Month 6	Mandatory functionality substantially complete in staging/UAT; Platform 3-side APIs and mock services; integration readiness; security and load-test execution plan; draft user and technical documentation.	20%
ML4 - Production pilot and refinement	End of Month 7	Production deployment; integration-test evidence; UAT and pilot support; security/privacy and load-test results; resolution of Critical and Major pilot defects.	15%
ML5 – Supporting testing services for SmartGreenEcos Platforms 1, 2 and 4	End of Month 7	The Contractor shall coordinate the Cypriot SMEs to test the SmartGreenEcos Platforms 1, 2 and 4 developed by the other partners and shall provide the following reports: (i) own professional testing results and (ii) the results of the end-users testing of the aforementioned Platforms	20%
ML6 - Final acceptance and handover	By 31 May 2027	Final compliant system; manuals in English, Greek and Arabic; training webinar; source code, infrastructure-as-code, runbooks, credentials and technical handover; final reports and sustainability notes.	10%

The detailed dates may be refined in the approved work plan without changing the Completion Date or payment percentages, unless the Parties sign a change order.

Schedule 2 - Acceptance and Defect Management

A. Acceptance Evidence

Acceptance shall be based on objective evidence appropriate to the relevant milestone, including demonstrations, completed compliance checks, source-code and configuration review, automated and manual test results, integration evidence, security and privacy checks, load-test reports, UAT records, documentation review and confirmation of handover items.

B. Defect Classification and Target Resolution

Severity	Description	Target Response and Correction
Critical	The system or a core mandatory function is unavailable; there is a serious security, privacy, data-loss or tenant-isolation risk; or pilot operation cannot continue.	Acknowledge within 4 business hours; provide a workaround within 1 working day where possible; correct within 3 working days unless Talos agrees otherwise.
Major	A mandatory function is materially impaired, produces materially incorrect results or cannot be used reliably, but the system can continue with significant limitation or workaround.	Acknowledge within 1 working day; provide a workaround within 3 working days where possible; correct within 7 working days unless Talos agrees otherwise.
Minor	A limited defect, usability issue, documentation issue or non-material deviation that does not prevent normal use of the principal functions.	Acknowledge within 2 working days; correct within 15 working days or the next agreed release.

C. Acceptance Conditions

- A milestone may be accepted where its requirements are met and no unresolved Critical or Major defect affects the milestone.
- Conditional acceptance may be used for Minor defects subject to a written correction list and timetable.
- Payment of a milestone does not constitute acceptance of a latent defect or of work belonging to a later milestone.
- Final Acceptance requires completion of all mandatory Contract deliverables and the handover items in Section 6.4.

SIGNATURE PAGE

Contract title: Software Development Services for SmartGreenEcos Platform 3 - Digital Procurement Platform

Contract reference: [insert before signature]

This Contract is signed by the duly authorized representatives of RTD Talos Ltd and the Contractor.

For RTD Talos Ltd	For the Contractor
Name	**Name**
Position	**Position**
Signature	**Signature**
Date	**Date**