ARTES 4.0 Technology & Product Developments

Full Proposal

Part 6

Financial Proposal for the … Phase

Proposal title

Proposal Reference: reference number

Notes for the use of this template (to be removed from Full Proposal)

Material presented in this plain style must not be removed nor modified, unless stated otherwise by an explanatory note.

Parts highlighted in yellow are optional, depending on the scope of the proposal (please refer to the related explanatory notes to determine if they apply or not).

Text in red font must be modified and/or completed by the Tenderer for the proposed activity (this supplementary information should be presented in plain typeface, i.e. not red, in the final version of the Full Proposal).

Text in blue italics is used for explanatory notes and guidance to help you to develop the Full Proposal content. They should be removed from the final document before submission.

A separate and self-contained Financial Proposal shall be included for each Development Phase for which support is being requested under the ARTES 4.0 Technology & Product Developments Call for Proposals

Use of this Full Proposal Template is **mandatory**. The Tenderer shall not change the structure of this Full Proposal Template (i.e. the table of contents must remain unchanged) and adhere to its guidelines and requirements. However, the format and lay-out can be modified, e.g. to be in-line with the Tenderer’s corporate identity.

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# Cost and Price Summary

The cost and price for the proposed Definition/Technology/Product/Demonstration Phase are as defined in Part 1 – Cover Letter.

Our financial proposal for the proposed Development Phase is compliant with the maximum funding levels specified in the Call for Proposal Letter of Invitation.

The requested support does not include any costs associated with marketing or commercialisation activities.

Include the following if the proposed Development Phase includes an in-orbit activity Independent Case.

The company confirms that the Price to ESA for the in-orbit activity is less than or equal to 5 MEuro.

# PSS Forms

The following PSS forms are attached in Annex 1 herewith for the Tenderer and for each of the proposed Subcontractor(s), showing, per entity, the total cost of the proposed work (i.e. including the entity’s share):

PSS-A1;

PSS-A2 (including Exhibits A and B, where applicable);

PSS A8;

PSS A15.1.

All PSS forms are signed by an authorised representative of the entity concerned.

Electronic versions of the PSS forms are also attached in Excel® file format to the electronic version of the financial proposal.

# Travel and Subsistence Plan

The proposed travel and subsistence plan for the activity, including the related cost details, are submitted in Exhibit B to form PSS-A2 for each member of the project consortium.

# Third Party Licence Costs

No licences of intellectual property rights owned by any third party are to be purchased for the execution of the activity.

or

(delete the inapplicable paragraph)

Licences of intellectual property rights owned by third parties are planned to be purchased for the execution of the activity. The table below is a summary of the third party licence costs.

**Table 4-1: Third party licence costs**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Financial Proposal Template** | **Owner** | **Total Costs** | **Purchased By (project partner)** | **Required for the Use of Deliverables (yes/no)** |
| … | … | €… | … | … |
| … | … | €… | … | … |
| … | … | €… | … | … |
| … | … | €… | … | … |

The fees for these intellectual property rights licences are included in the total price of the proposal and are itemised in Exhibit A to form PSS-A2 for the entity concerned.

The technical justification for the use of third party products/licences is presented in the technical Part 3 of the proposal.

As indicated in the table above, licenses of intellectual property rights acquired within the activity are/are not expected to be required for the use of the deliverables.

Include the following if licences are expected to be required for the use of the deliverables

The table below indicates the deliverables concerned, the licences required by the Agency for their use and the conditions under which these licences must be purchased by the Agency.

**Table 4-2: Licences required by the Agency for the use of the affected deliverables**

|  |  |  |  |
| --- | --- | --- | --- |
| **Third Party Product/Licence** | **Deliverable(s)** | **Agency Licence for the Use of the Deliverable(s)1 (transferred/purchased)** | **Optional Binding Price for the Licence** |
| … | … | … | €… |
| … | … | … | €… |
| … | … | … | €… |
| … | … | … | €… |

1. “transferred” = licence is transferred to the Agency at the end of the activity; “purchased” = the licence must be purchased by the Agency.

Each optional binding price is supported by a copy of the supplier’s proposal, document reference, which is attached to the proposal.

# Source of the Entity Contribution

The source (e.g. internal R&D funds, loss against the contract, bank loan, ...) of the entity contribution (including from any private third party) to the overall development costs is as follows:

Contractor name (contractor): ….

Source: ...................

Subcontractor 1 name (subcontractor): …….

Source: ...................

Subcontractor …. name (subcontractor): …….

Source: ...................

It is confirmed that, in all cases, the entity contribution excludes:

* third party public funds and
* overheads included in rates charged to the Agency for the contract, or any other contract with the Agency, or sub-contract awarded under an Agency contract.

Evidence concerning the availability of the entity contribution is provided in Annex 3:

Examples of possible sources of co-funding are: existing funds in bank account coming from sales/profit, already approved/prospective bank loan, investment from external source e.g. private investment funds, other contributions. EU and/or national funds coming from e.g. R&D programmes are not allowed. Use of future earnings as co-funding sources is not allowed, unless binding contracts that guarantee future earnings can be demonstrated.

The purpose of this information is to provide evidence on the capabilities of the involved company(ies) to finance their share of the cost of the proposed activity elements (procurements, facilities, labour cost) and, as such, can serve the obligations of the activity.

# Statement of Profit

This financial offer is exclusive of profit.

# Currency and Conversion Rates

This financial proposal is presented in Euro.

All members of the Bidding Team are located in countries participating in the Euro, so no currency exchange rates are applicable.

or

(delete the inapplicable paragraph)

Include and complete the following information for all members of the Bidding Team located in countries not participating in the Euro

The following table identifies the entities within the Bidding Team who are not located in countries participating in the Euro and the currency exchange rates that have been applied in each case.

*This exchange rate shall be stated in the PSS forms and shall be clearly explained in Exhibit A to form PSS‑A2. Any other factors (e.g. hedging costs, forward buying rates, etc.) used for the purpose of its calculation shall be indicated.*

**Table 7-1: Summary of exchange rates applied**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Entity** | **National Currency** | **Exchange Rates Applied** | **Detailed in the Entity’s PSS-A2 Form and its Exhibit A** | **Other Factors Used to Calculate the Exchange Rates** |
| … | … | … | yes/no | … |
| … | … | … | yes/no | … |
| … | … | … | yes/no | … |
| … | … | … | yes/no | … |

Should any country(ies) to which the above entity/entities belong adopt the Euro following the submission of proposals, the applicable conversion rates shall be the ones then adopted by the appropriate European Authorities.

# Type of Price

The price quoted is a Firm Fixed/Ceiling Price.

# Quotations Free of Taxes and Customs Duties

The price quoted is free of taxes and customs duties.

or

(delete the inapplicable paragraph)

We believe that we cannot obtain exemption from tax or customs duties because ……. Consequently, we consider that we will remain subject to the payment of taxes or customs duties under the conditions indicated below:

|  |  |
| --- | --- |
| Applicable rates: | …… |
| Estimated total tax amount: | …… |
| Estimated total customs duty amount: | …… |

# Milestone Payment Plan

The proposed milestone payment plan is detailed in the tables below. It is based on the information provided in for PSS-A15.1 and reflects the economic reality of the project.

Details of the milestone review meetings referenced in the payment plan are provided in Part 5 of this proposal for the Definition/Technology/Product/Demonstration Phase.

The proposed payment plan shall take into account Article 3 of the Draft Contract and the following provisions:

- All claims for payment shall be linked to the achievement of defined schedule milestones.

- These milestones are to be in the form of significant events in the programme, to be selected on the basis of providing a check point for progress of the work performed.

- The payment plan shall consist of progress and final payment milestones only, adding up to the total contract price.

- The final payment of each development phase shall not be less than 20% of the total phase price. In case the proposed contract covers more than one Development Phase and no contractual phases are proposed, the final payment of the last Development Phase of the contract shall not be less than 20% of the total phase price and shall not be less than 10% of the total contract price.

For all cases except for an in-orbit activity: include and complete the following table

**Table 10-1: Milestone payment plan**

|  |  |  |  |
| --- | --- | --- | --- |
| **Milestone Description** | **Schedule Date** | **Payments from ESA to Contractor (in Euro)** | **Country (ISO Code)** |
| Progress (MS1): Upon successful completion of WP … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… | … |
| Progress (MS2): Upon successful completion of WP … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… |
| Progress (MS..): Upon successful completion of WP … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… |
| Final Settlement (MSn): Upon the Agency’s acceptance of all deliverable items due under the Contract and the Contractor’s fulfilment of all other contractual obligations, including submission of the Contract Closure Documentation. | T0 + … months | €…,…  (min. 20%) |
|  | **Total** | **€…,…** |  |

For an in-orbit activity Embedded Case or Independent Case (hosted): include and complete the following table:

**Table 10-2: Milestone payment plan**

|  |  |  |  |
| --- | --- | --- | --- |
| **Milestone Description** | **Schedule Date** | **Payments from ESA to Contractor (in Euro)** | **Country (ISO Code)** |
| Progress (MS 1): Upon successful completion of WP … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… | … |
| Progress (MS 2): Upon successful completion of WP xxx and/or Acceptance of the Flight item design for flight (EQSR) and/or successful [review] and the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… |
| Progress (MS 3): Upon the Agency’s certification of successful Acceptance Review and acceptance of the end item data package. | T0 + … months | €…,…  (min. 10%) |
| Progress (MS 4): Upon the Agency’s certification of successful Commissioning Results Review | T0 + … months | €…,…  (min. 10%) |
| Final Settlement (MS 5): Upon the Agency’s certification of successful Final Review, the Agency’s acceptance of all deliverable items due under the Contract and the Contractor’s fulfilment of all other contractual obligations, including submission of the Contract Closure Documentation | T0 + … months | €…,…  (min. 10%) |
|  | **Total** | **€…,…** |  |

For an in-orbit activity Independent Case (standalone): include and complete the following table

**Table 10-2: Milestone payment plan**

|  |  |  |  |
| --- | --- | --- | --- |
| **Milestone Description** | **Schedule Date** | **Payments from ESA to Contractor**  **(in Euro)** | **Country (ISO code)** |
|
| Progress (MS 1): Upon successful completion of WP xxx and/or successful [review and] the Agency’s acceptance of all related deliverables | To + … months |  |  |
| Progress (MS 2): Upon successful completion of Detailed Design Review (DDR) and the Agency’s acceptance of all related deliverables | To + … months |  |
| Progress (MS 3): Upon successful completion of WP xxx and/or successful [review and] the Agency’s acceptance of all related deliverables [OR Upon successful completion of Phase 1 and the Agency’s acceptance of all related deliverables] | To + … months |  |
| MILESTONE 4 (MS 4) - Progress:  Upon the Agency’s certification of successful Flight Acceptance Review (FAR) | To + … months |  |
| MILESTONE 5 (MS 5) - Progress:  Upon the Agency’s certification of successful CRR | To + … months |  |
| Final Settlement (MS 6): Upon the Agency’s acceptance of all deliverable items due under the Contract and the Contractor’s fulfilment of all other contractual obligations including submission of the Contract Closure Documentation | To + … months | *(min.10%)* |
|  | **Total** | **€…,…** |  |

In all cases, include the following explanatory text and table if you wish to propose an advance payment plan.

The advance payment shall take into account Article 3 of the Draft Contract and the following provisions:

* The amount of any proposed advance payment and the corresponding amount(s) to be offset against the relevant milestone payment(s) shall be clearly stated in Euro, along with a justification for the need for cash disbursement at the beginning of the execution of the contract.
* Proposed advance payments shall, under no circumstances, exceed 15% (35% for SMEs) of the total price of the associated Development Phase.

An advance payment plan is proposed in the table below. This proposal reflects the need for significant cash disbursement at the beginning of the activity, as shown in the cash flow profile presented in form PSS‑A15.1. The reasons for this early cash disbursement are …….

**Table 10-3: Advance payment(s) and other financial conditions**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Prime (P)** | **Entity Name** | **Entity Code** | **Country (ISO Code)** | **Advance Payment (in Euro)** | **Offset Against Milestone** | **Offset By Euro** | **Condition for Release of the Advance Payment** |
| P | … | 1 000 xxx | … | €…,… | MS… | €…,… | Upon signature of the contract by both parties. |

# “Prior Work”

This proposal does not include Prior Work.

or

(delete the inapplicable paragraph)

As stated in the proposal cover letter, our proposal includes Prior Work. Prior Work is compliant with all of the nine conditions as defined in the table below:

**Table 11-1: Conditions for Prior Work**

|  |  |
| --- | --- |
| 1 | Prior Work shall be of direct relevance to the implementation of the contract. |
| 2 | Prior Work may only begin within a maximum of 12 months prior to submission of an acceptable Full Proposal. |
| 3 | Prior Work has not been covered by any public funding. |
| 4 | Prior Work did not progress beyond the first review milestone of the Development Phase. |
| 5 | Prior Work is only allowed for the first Development Phase of an ARTES 4.0 Technology & Product Developments contract, except Definition Phase. |
| 6 | The Full Proposal includes technical specifications of the product to be developed. |
| 7 | The Full Proposal includes a development plan. |
| 8 | The proposed Prior Work is presented separately in the Full Proposal with its own work packages, cost sheets (PSS forms) and the description of the Prior Work activities. |
| 9 | Expenditures for Prior Work amount to no more than the maximum percentage of the price of the first development phase (except definition phase) proposed by the entity actually performing Prior Work as specified below:   |  |  | | --- | --- | | **Development Phase** | **Maximum Percentage of**  **the Development Phase Price** | | Definition Phase1 | 0% | | Technology Phase | 10% | | Product Phase | 15% | | Demonstration Phase | 15% | |
|  | 1 Prior Work cannot be proposed for Definition Phase activities. |

The proposed Prior Work is presented separately in the proposal with its own work packages and the description of the Prior Work activities, as can be found in … (indicate relevant section of proposal).

Expenditures incurred prior to full proposal submission are proposed herein as Prior Work for a total amount of €…….

The following dedicated PSS forms (attached in Annex 2 herewith), show the total cost of the proposed Prior Work (i.e. including the entity’s share) per entity:

PSS-A1: Contractor name (contractor), Subcontractor 1 name (subcontractor), Subcontractor …. name (subcontractor);

PSS-A2 (including Exhibits A and B, where applicable): Contractor name (contractor), Subcontractor 1 name (subcontractor), Subcontractor …. name (subcontractor);

PSS A8: Contractor name (contractor), Subcontractor 1 name (subcontractor), Subcontractor …. name (subcontractor).

# “In Kind Contribution” (IKC)

This proposal does not include any in kind contribution.

or

(delete the inapplicable paragraph)

An in kind contribution comprising …… is needed to make the product a functional unit and will be made available for use in the proposed Development Phase. The benefits of its use to the proposed activity are …….

IKC is proposed for a total amount of €……, representing ……% of the overall cost of the proposed Development Phase.

The cost of the IKC is based on the difference between the values below:

**Table 12-1: In Kind Contribution**

|  |  |
| --- | --- |
| Value of the IKC at the start of the proposed activity | Residual value at the end of the usage of the IKC |
| €…… (100%) | €…… (…… %) |

This proposal is compliant with the requirement that the residual value shall be no less than 20% of the value of the IKC at the start of the activity.

The proposed IKC is also compliant with all of the conditions below:

1. The expenditure has actually been incurred and separately recorded as being company funded product development.
2. The IKC has not been paid by any public funds.
3. The item cost/depreciation related to the item (in case the item has been capitalised) has not been recovered through the rates (including overhead rates) or other cost elements.
4. The IKC is of direct benefit to the proposed activity, as described above. Payments related to the IKC shall only take place upon use of the IKC and shall otherwise be forfeited.
5. The IKC cost quoted for the proposed activity is at least 2/3 directly attributable to hardware elements. The remainder, at the maximum 1/3, is for software/assembly/ integration/test to make the hardware a functional unit.
6. The maximum depreciation for IKC shall not exceed 20% of the overall cost of the activity.

# Use of ESA Technical Assets

It is not intended to make use of ESA Technical Assets.

or

(delete the inapplicable paragraph)

It is intended to make use of ESA Technical Assets in the Definition/Technology/Product/ Demonstration Phase.

As a back-up option, in case the ESA technical assets cannot be made available for use in the project, the commercial procurement of equivalent technical facilities is proposed at a cost of €….

Further information is provided in Part 4 of our proposal on the intended use of the ESA Technical Assets, including a description of the alternative facilities that will be used for the same purpose if the ESA technical assets cannot be made available for use in the project.

Part 7 of our proposal includes a formal statement on the use of the ESA Technical Assets.

# In-Orbit Activity

Include and complete this section only if an in-orbit activity Independent Case is being proposed.

Our flight item is an independent case. The following table details our financial contributions to the costs of resources shared between the flight item and the other payloads on the spacecraft:

**Table 14-1: Shared Costs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Shared Cost Element** | **Total Share of the Costs for the Proposed Activity** | **Payable To** | **Basis for Calculating this Financial Contribution to the Shared Costs** |
| Launch Costs | €…… | …… | …… |
| Host Spacecraft Resources | €…… | …… | …… |

Add supplementary text as necessary to properly explain how these financial contributions to the shared costs have been calculated (e.g. flat rate, based on estimated mass, usage, etc.)

1. Signed PSS Forms

*Please enclose the following signed forms for each member of the project consortium:*

*PSS A1;*

*PSS A2 (including Exhibits A and B, where applicable);*

*PSS A8;*

*PSS A15.1.*

1. Signed PSS Forms (Prior Work)

*Include for Prior Work only*

*Please enclose following signed forms for each member of the project consortium:*

*PSS A1;*

*PSS A2 (including Exhibits A and B, where applicable);*

*PSS A8.*

1. Source of Entity Contribution

Evidence of availability of entity contributions

*Please include evidence of availability of entity contributions for each member of the project consortium.*

*E.g. bank statements or guarantees, company financial reports, letters of commitment from investors, loan agreements, etc.*

*Note that ESA will require that contracts between the prime and the subcontractors of the consortium be signed before the contract first milestone (other than Prior Work Milestone).*