Part 6

Financial Proposal for the

Definition/Technology/Product/Demonstration Phase

Proposal Reference: (reference number)

**Notes for the Use of this Template**

Material presented in this plain style is suggested content for a Full Proposal. This is intended to be an example of a response to the related Agency requirements, which the Tenderer needs to properly complement by activity-specific information. The suggested material may be adopted as is, or modified at the Tenderer’s discretion. It remains the responsibility of the Tenderer to ensure that all of the Agency’s requirements of the present Call for Proposals are properly addressed.

This style is used to identify information that 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.

This style is used for explanatory notes and guidance to help you to develop the Full Proposal content (e.g. to indicate a selection between mutually-exclusive options). This information should be removed from the final version of the Full Proposal.

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).

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# Cost and Price Summary

The cost and price for the proposed [Definition or Technology or Product or Demonstration] Phase is as defined in the following table.

**Cost and price summary**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Entity** | **Country**  **(ISO Code)** | **Role** | **Cost in Euro** | **Price in Euro** |
| Tenderer | … | Contractor | €…,… | €…,… |
| Subcontractor 1 | … | Subcontractor | €…,… | €…,… |
| Subcontractor 2 | … | Subcontractor | €…,… | €…,… |
| … | … | … | … | … |
|  | | **Total:** | **€…,…** | **€…,…** (…% of total cost) |

Our financial proposal for the proposed Development Phase is compliant with the maximum funding levels specified in Table 1 of document “ARTES Competitiveness & Growth Full Proposal, Part 6, Requirements for the Content of the Financial Proposal”.

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

# 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 modify the following text as appropriate

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.

**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 B 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.

**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 of the entity contribution (including from any private third party) to the overall development costs is as follows:

Contractor name (contractor): ….

Subcontractor 1 name (subcontractor): …….

Subcontractor …. name (subcontractor): …….

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.

# 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 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.*

**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 Price.

# Quotations Free of Taxes and Customs Duties

The price quoted is free of taxes and customs duties.

or

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 5B of this proposal for the Definition/Technology/Product/Demonstration Phase.

for all cases except for the Space Segment Demonstration (Atlas case): include and complete the following table

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 shall not be less than 20% of the total contract price.*

**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 … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… |
| Progress (MS 3): Upon successful completion of WP … and/or successful [review and] the Agency’s acceptance of all related deliverables. | T0 + … months | €…,… |
| Final Settlement (MS 4): 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 the Space Segment Demonstration Phase/Atlas case only: include and complete the following table

**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 the Agency’s certification of successful Equipment Qualification Status Review (EQSR). | 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. 30%) |
| 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** | **€…,…** |  |

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 …….

**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 xxx | … | €…,… | MS… | €…,… | Upon signature of the contract by both parties. |

# “Prior Work”

This proposal does not include Prior Work.

or provide the following statements

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 Table 2, Part 6 of the Requirements for the Content of the Financial Proposal”.

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 provide the following statements, completed as appropriate

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:

|  |  |
| --- | --- |
| 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 include and complete the following statements

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 4B 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.

# Space Segment Demonstration Phase

include and complete this section only if a Space Segment Demonstration Phase (Atlas case) is being proposed and the flight item is a Passenger case

Our flight item is a Passenger case. The following table details our financial contributions to the costs of resources shared between the flight item and the main (host) mission:

|  |  |  |  |
| --- | --- | --- | --- |
| **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 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.*