

Dear Sir or Madam,

The Trade and Cooperation Agreement between the European Union and the United Kingdom provides for the possibility of associating the United Kingdom to Union programmes, including Horizon Europe, subject to the adoption of a Protocol. While we continue to recognise the mutual benefit of cooperation notably in science, research and innovation, this Protocol has not been adopted so far.

As announced in Horizon Europe Work Programme 2021-2022, successful applicants established in the United Kingdom will not be treated as established in an associated country if the association agreement does not apply at the time of the signature of the grant agreement. The signatures of the grant agreements within the call HORIZON-CL3-2021-FCT-01 are expected on 26 July 2022 and the United Kingdom is not yet associated to Horizon Europe.

Therefore, in line with call HORIZON-CL3-2021-FCT-01, if the United Kingdom's association to Horizon Europe does not apply at the time of signature of the grant agreement for your proposal, applicants established in the United Kingdom in your proposal would not be eligible to participate as beneficiaries.

The concerned applicants are:

- TELESTO IOT SOLUTIONS LIMITED
- Dorset Police

To mitigate consequences on the consortium from the ineligibility of the applicants established in the United Kingdom, the consortium may choose between the following options which may be combined:

- (a) the tasks and budget of the applicant(s) established in United Kingdom are taken over either by the remaining eligible applicant(s) or by one or more additional new applicants established in a Member State or an Associated Country. The granting authority reserves the right to assess if the redistribution of tasks and budget puts into question the results of the evaluation.
- (b) the applicant(s) established in United Kingdom may participate as associated partners, in agreement with the rest of the consortium. In this case, the legal entities established in the United Kingdom must fund their tasks without Union funding. The total EU funding to the project will be reduced accordingly, except for tasks and budget taken over by existing or new eligible applicants (see option (a) above). The granting authority reserves the right to assess if the redistribution of tasks and budget puts into question the results of the evaluation.

The United Kingdom entities may be later re-established as beneficiaries through a grant amendment requested by the consortium if (i) the instrument of association with the United Kingdom becomes applicable, (ii) this association agreement provides for its retroactive application prior to the start of the action, (iii) there is a corresponding financial contribution from United Kingdom to the relevant call. Subject to the fulfilment of these conditions, the granting authority

may approve reimbursement of the costs incurred from the beginning of the action.

Please inform [REDACTED] as soon as possible or at the latest on 20 May 2022 by responding to this formal notification, whether your consortium will take any of the measures set out above. You may submit an adapted proposal by 27 May 2022. If no measures are taken, and the association agreement of the United Kingdom does not apply at the time of signature of the grant agreement, your proposal would have to be rejected.

Yours faithfully,

[REDACTED]
Project Advisor

Electronically signed