

CONTRACT/LONG-TERM AGREEMENT NO. 4000000xxx/CZ

between

**THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
(UNIDO)**

and

<CONTRACTOR NAME>

This Contract comprises eleven (11) pages and four (4) Annexes (A through D).

CMO/OSS/PRO/CZ

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- Annex A: UNIDO's General Terms and Conditions
- Annex B: Technical Specifications/Leistungsverzeichnis
- Annex C: List of items/prices incl. catalogue discount
- Annex D: Bank Information Form

UNIDO Contract No: 4000000xxxx/CZ

CONTRACT / LONG-TERM AGREEMENT

between

THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

and

< NAME OF THE CONTRACTOR >

for the supply of

**VARIOUS SANITARY PRODUCTS AND SUPPLIES AS WELL AS
REPLACEMENT OF DAMAGED SANITARY EQUIPMENT DURING CONTRACT PERIOD
FOR THE VIENNA INTERNATIONAL CENTRE**

for the period of initially three years with possibility of yearly extension up to a total of five years

THIS CONTRACT is made between the UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (hereinafter referred to as "UNIDO"), having their Headquarters located at Wagramer Straße 5, A-1220 Vienna, Austria, and < NAME OF THE CONTRACTOR > (hereinafter referred to as "the Contractor"), having its principal office located at < ADDRESS OF THE CONTRACTOR >. The Contractor and UNIDO are jointly referred to as "the Parties" and individually as "the Party".

WHEREAS, UNIDO desire to engage a contractor to supply various xxxxxxxxxxxxxx, in the Vienna International Centre (hereinafter referred to as the 'VIC'); and

WHEREAS, the Contractor represents that it is ready, willing and able to provide such sanitary products and supplies.

NOW, THEREFORE, the Parties hereto mutually agree as follows:

1.00 AIM OF THE CONTRACT

1.01 Synopsis

The aim of the Contract is to supply regular required various xxxxxxxxxxxxxxxx (hereinafter also referred to as “the Supplies”) on a call-off basis, if and when required, and on a non-exclusive basis as per the Technical Specifications (Annex B).

2.00 RESPONSIBILITIES OF THE CONTRACTOR

2.01 Statement of Work and Supply

Given the aim of this Contract, the Contractor shall render, on the terms and conditions set forth herein, all the services and facilities necessary to carry out the Contract and, in particular, the Supplies as detailed in the UNIDO Technical Specifications, a copy of which is attached hereto as Annex B. In delivering the Supplies hereunder, the Contractor shall conform to the methodology and approach set forth in the Bid dated [date] (hereinafter referred to as the “Bid”) which the Contractor submitted to UNIDO in response to UNIDO's Invitation to Bid No. 2019/023/CZ/mp, RFx No. 700000xxxx dated [date]. The Contractor's said Bid, although not attached hereto, is made a part hereof by way of reference.

If there are discrepancies or conflicts between or among the Contract and its Annexes and the Contractor's Bid, then the document to prevail shall be given precedence in the following order:

- (1) Contract
- (2) Annex A
- (3) Annex B
- (4) Annexes C
- (3) Contractor's Bid.

2.01 Limitations/Non-Exclusivity

- a) UNIDO does not guarantee any minimum number of call-off work orders to be placed under the Contract.
- b) The Contract is signed on a non-exclusive basis. UNIDO shall have no limitation on its right to enter, concurrently, into additional contract(s) with other companies for same and/or similar services.

2.02 Delivery of the Supplies and Packing Instructions

- (a) The Contractor shall deliver the Supplies to UNIDO at its own cost.
- (b) The Contractor must bear all risks of loss or damage to the goods/supplies until physical delivery of the goods to the named place of destination has been completed in accordance with this Contract. The risks of loss or damage to the goods are transferred to UNIDO from the time of their physical delivery. UNIDO takes title to the goods simultaneously with the transfer of the risks.
- (c) In the event of loss or damage to any of the goods/supplies during delivery, or in the event of the goods/supplies being found, upon opening of the packages at UNIDO, to be otherwise defective, unusable or the wrong articles, the Contractor shall promptly replace such Supplies at its own expense.
- (d) The Contractor shall deliver the Supplies upon receipt of an e-mail order/purchase order from the UNIDO BMS Focal Points, [xxxxxxxx], e-mail: [xxxxxxxxxxxx], Tel.: + 43 260 26 Ext. [xxx]and/or [xxxxxxxxxxxx], e-mail: [xxxxxxx], Tel.: + 43 260 26 Ext. [xxx], and/or his/her representative(s).
- (e) Way Bills evidencing the shipment of the Supplies and the boxes in which they are delivered shall quote the name of the consignee (UNIDO Receiving Area).
- (f) One copy of the Seller's packing list is to be enclosed in the consignment, identifying the contents according to the e-mail order including Purchase Order No. and UNIDO internal reference number.
- (g) The Contractor shall provide a copy of technical documentation/manuals in English and German language, if applicable.
- (h) All packages shall be indelibly marked, as follows. Please make sure that marks and numbers of inward consignments tally with the marks and numbers indicated on the Delivery Note.

Consignee:

Vienna International Centre

UNIDO Receiving Area (Attention: xxxxxxxxxxx)

Wagramer Straße 5, A-1220 Vienna, AUSTRIA

All goods/supplies shall be properly packed to withstand rough handling during transportation. The Contractor may be held liable for any/all claims which may arise as a result of improper packing.

2.03 Duration of the Contract

This Contract is concluded for initially three (3) years, i.e. from [date] to [date] with a possibility of extension(s) up to a maximum contract period of five (5) years, at the sole discretion of UNIDO unless terminated in accordance with Article 12 of the UNIDO General Terms and Conditions (Annex A).

2.04 Facilities and Services to be provided by the Contractor

The Contractor shall provide all the facilities and services required by the Contractor's personnel for the execution of this Contract. Expenses of every kind incurred in connexion with such execution shall be solely for the account of the Contractor. Such expenses shall include, but shall not be limited to, the cost of wages, housing, food, travel, medical attention and personnel insurance.

2.05 Standards of Work and Quality

The Contractor shall exercise all reasonable skill, care and diligence in the performance of the provision of services hereunder and shall carry out all its responsibilities in accordance with the highest recognized professional standards.

The Contractor warrants that the Supplies delivered by it under this Contract shall be of high quality and correspond to the highest standards of material and workmanship.

The Contract/Long-term Agreement includes the possibility of providing successor models of the Goods listed in the Technical Specifications (Annex B) and the Price List (Annex C). In the event of any model, technical or other changes affecting the Supplies as specified in Annex B and Annex C, the Supplier shall offer equivalent or better specifications and prices for any Supplies ordered pursuant to this Contract/Long-term Agreement

2.06 Warranty

The Contractor represents and warrants that the Supplies, conform to the specifications of the Contract, are fit for the purposes for which they were manufactured and designed for and that they shall be of even quality, free from faults and defects in design, material, manufacture and workmanship. The Contractor also warrants that the Supplies shall be contained and packaged in a manner adequate to protect them from damage during transportation.

The Contractor shall provide UNIDO with the benefit of all manufacturer's warranties in addition to any other warranties required to be provided hereunder, including but not limited to the warranty that they shall be free from defects.

The Contractor represents and warrants that the supplies are free from any known and valid right of claim by any third party, including claims of infringement of any intellectual property rights, including, but not limited to, patents, copyright and trade secrets.

The Contractor represents and warrants that the supplies are unused and manufactured using new materials and that replacement products are new.

3.0 PRICES FOR SUPPLIES, RELATED SERVICES AND TERMS OF PAYMENT

3.01 Prices

The fix and firm unit prices indicated in the Contractor's price list (Annex C) shall be valid at least until [date]. The prices prescribed in Annex C are exclusive of Value Added Tax (VAT).

Prices include but are not limited to packing and free-house delivery [i.e. DAP UNIDO Receiving Area, Vienna International Centre, Vienna, Austria (Incoterms 2010)] including unloading.

During the above period, the unit prices are fixed and not subject to escalation. However, prices may be adjusted once a year to cover increase/decrease in labour costs, product costs or other direct costs if in conformity with the annual price adjustment published by the relevant STATISTIK AUSTRIA/WKO. Any such adjustment, if any, shall not be made before [date] and must be documented by the Contractor accordingly.

UNIDO may also order various upholster supplies from other than those listed in Annex C, i.e. from the Contractor's general catalogue/assortment.

For upholster supplies other than those listed in Annex C the Contractor grants to UNIDO a special discounts of [.....%.]

The yearly estimated Not to Exceed (NTE) Amount of this Contract is EURO eighteen thousand six hundred (€ 150,000.00). The yearly total Not To Exceed Amount is not subject to escalation. It is to be understood that UNIDO is not obliged to purchase up to the whole amount of the Contract.

The Contractor shall not do any work, provide any materials or equipment, or perform any services which may result in any charges to UNIDO over and above the said sum of Euro <amount> (€ <amount>) (the “Contract Price”) without the prior written consent of UNIDO and a formal amendment to this Contract.

3.02 Currency of Payment

All payments under this Contract shall be made in EURO.

3.03 Payment

Payment of 100% of the supplies shall be effected within 30 days subject to:

- (i) receipt of the Supplies at the Vienna International Centre, UNIDO Receiving Area;
- (ii) acceptance of the Supplies by UNIDO Buildings Management Services Division;
- (iii) receipt and acceptance by UNIDO of the following documents:
 - Invoices showing the amount of payment. The invoice should include full particulars of your bankers i.e. name, address, account number, sort code number to facilitate electronic bank transfer
 - Delivery Note/Lieferschein and Packing List, if relevant;

The making of any payment hereunder by UNIDO shall not be construed as an unconditional acceptance by UNIDO of the supplies delivered by the Contractor up to the time of such payment.

3.04 Mode of Payment

All payments under this Contract shall be made by UNIDO by electronic bank transfer to the account of the Contractor indicated in the Bank Information Form (Annex D). Any change in the bank details of the Contractor must be informed through a new updated original Bank Information Form.

3.05 Withholding of Payments

UNIDO may withhold any payment to the Contractor or, on account of subsequently discovered evidence, nullify the whole or part of any payment approval theretofore given, to such an extent as may be necessary to protect UNIDO from loss under this Contract on account of:

- (a) the Contractor's failure to provide the Supplies, except for failure arising out of force majeure;
- (b) the Contractor's failure to remedy defective supply and/or unsatisfactory performance,

- when such failure has been drawn to his attention by UNIDO;
- (c) the existence of damage claims presented by UNIDO or of reasonable evidence indicating the probable basis on which damage claims may be presented by UNIDO;
 - (d) breach by the Contractor of the Contract.

The withholding by UNIDO of any payment shall not affect the Contractor's obligation to continue performance under this Contract. No interest shall accrue on payments eventually withheld by UNIDO in application of the stipulations of this paragraph.

3.06 Contractor's Invoices

The maximum amount payable by UNIDO to the Contractor for any order under this Contract shall be that amount which is stated in any one specific e-mail order/purchase order in accordance with the terms and conditions of this Contract, based on the quantities ordered by UNIDO and delivered by the Contractor at its prices specified in paragraph 3.01.

The Contractor shall submit one invoice in hard- or electronic copy. Delivery Notes shall be included with the Contractor's invoices. The invoice shall reflect banking instructions, i.e. name and address of the bank, Contractor's Account No., Sort Code No., for payment by electronic transfer, as follows:

The Contractor shall send its invoices to the following address:

UNIDO Buildings Management Services Division:

Attention: [xxxxxxxxxxxxx] (Room No. [xxxxx])

Wagramer Strasse 5 or P.O. Box 300

A-1400 Vienna, Austria

Tel.: +43 1 26026 Ext. [xxxx], E-mail: xxxxxxxxxxx@unido.org

4.00 INSURANCE

4.01 Liability Insurance

The Contractor shall provide and maintain insurance for an appropriate amount against public or third party liabilities for bodily injury or death or property damage arising from any operations carried out by the Contractor in order to comply with his obligations under the Contract.

4.02 Responsibility for Amounts not Recovered

Any amounts not insured or not recovered from the insurers shall be borne by the Contractor.

5.00 GENERAL PROVISIONS

5.01 Entry into Effect of the Contract

This Contract shall become effective on the date when both Parties have signed this Contract, or if the Parties have signed this Contract on different dates, the date of the latest signature (“ the Effective Date”).

As of the Effective Date of this Contract, the term of this Contract shall be three (3) years with possibility of extension(s) up to a maximum contract period of five (5) years, at the sole discretion of UNIDO unless terminated in accordance with Article 31 of the UNIDO General Terms and Conditions (Annex A).

5.02 General Conditions of Contract

The Parties hereto agree to be bound by the UNIDO’s General Terms and Conditions which are attached hereto as Annex A.

5.03 Contract Amendment

No modification of, or change in, this Contract or waiver of any of its provisions, or additional contractual relationship with the Contractor shall be valid unless approved in the form of a written amendment to this Contract, signed by the duly authorized Representatives of UNIDO and the Contractor.

5.04 Points of Contact and Work-Order Call-off Procedure

Unless specified otherwise in the Contract, all communications relating to the execution of this Contract shall be made or confirmed in writing in English to:

UNIDO:

For contractual matters, reports and notices:

UNIDO

Procurement Services Division

Attention: Ms. C. Ziniel (Room No. D-2011)

P.O. Box 300, A-1400 Vienna, Austria

Tel.: +43 1 26026 Ext. 5159

e-mail: c.ziniel@unido.org

For operational/technical related matters:

UNIDO

Buildings Management Services Division

Attention: [xxxxxx] (Room No [xxxx])

P.O. Box 300, A-1400 Vienna, Austria

Tel.: + 43 260 26 Ext. [xxx]

e-mail: [xxxx]

The Work shall be called-off through e-mail, as and when required, by the above indicated UNIDO BMS Focal Point and/or his representative(s) describe the required work and, as applicable, delivery deadline etc..

Contractor:

For contractual and technical matters:

[name of Contractor]

Tel.: [xxx]

e-mail: [xxxx]

Each Party shall inform the other promptly in writing of any change of the point of contact, including the name and designation of the new person.

5.05 Default by the Contractor

In case the Contractor fails to fulfil his obligations and responsibilities under this Contract, and provided the Contractor has not remedied such failure(s) within fourteen (14) days of having been given UNIDO's express written notification of the nature of the failure(s), UNIDO may, at its sole option and without prejudice to its right to withhold payment(s) as hereinbefore provided, hold the Contractor in default under this Contract. When the Contractor is thus in default, UNIDO may, by giving written notice to the Contractor, terminate the Contract as a whole or such part or parts thereof in respect of which the Contractor is in default. Upon such notice, UNIDO shall have the right to seek completion, at the Contractor's expense, of that part or those parts of the Contract with respect to which the Contractor is in default. The Contractor shall, in this case, be solely responsible for any reasonable costs of completion, including such costs which are incurred by UNIDO over and above the originally agreed Contract price stipulated hereinbefore.

5.06 Termination of the Contract

- (a) UNIDO terminate the Contract in whole or in part, and at any time, upon thirty (30) days' notice of termination to the Contractor.
- (b) In the event such termination is not caused by the Contractor's negligence or fault, UNIDO shall be liable to the Contractor for payment in respect of Supplies already satisfactorily accomplished and accepted and in conformity with the terms of the Contract.
- (c) The Contractor shall keep expenses at a minimum and shall not undertake any forward commitment from the date of receipt of UNIDO's notice of termination.
- (d) In the event of termination, the Contractor shall take immediate steps to bring the delivery of electrical materials and lamps to a close in a prompt and orderly manner in accordance with any instructions from UNIDO.

5.07 Covenant against Contingent Fees

The Contractor warrants that:

- (a) no person or selling agency has been employed or retained by him to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, contingent fee or retained, except regular employees or bona fide and officially established commercial or selling agencies maintained by the Contractor for the purpose of securing business;
- (b) no official or servant or retired employee of UNIDO, the United Nations, and/or its co-operating Agency(ies), who is not a bona fide employee of the Contractor, has been or shall be admitted by the Contractor to any direct or indirect benefit arising from this Contract or the award thereof. For breach of these warranties, UNIDO shall have the right to deduct from the Contract price, or otherwise recover from the Contractor, the full amount of any such commission, percentage, brokerage, contingent fee or retainer so paid.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract.

**UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION**

[CONTRACTOR NAME]

By.....

By.....

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
Procurement Services Division
Operational Support Services Branch
Programme Support and
General Management Division
P.O.Box 300
A-1400 Vienna
Austria

Date.....

Date.....

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Annex A

GENERAL TERMS AND CONDITIONS

(Headquarters Contracts)

1. **Confidential Nature of Documents**

All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of UNIDO, shall be treated as confidential and shall be delivered only to UNIDO's authorized officials on completion of the work under this Contract; their contents shall not be made known by the Contractor, without the written consent of UNIDO, to any person other than the personnel of the Contractor performing services under this Contract. The obligations of this paragraph do not lapse upon satisfactory completion of the work under this Contract or termination of this Contract, including termination by UNIDO.

2. **Independent Contractor.**

The Contractor shall have the legal status of an independent contractor. Any person assigned by the Contractor to perform services under this Contract shall remain in the employment of the Contractor. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNIDO or the United Nations. Without restricting the generality of the foregoing, UNIDO shall not be liable for any claims and demands, loss, costs, damages, actions, suit or other proceedings, brought or prosecuted, in any manner based upon, occasioned by or attributable to the employment relationship between any person assigned by the Contractor to perform services under this Contract and the Contractor. Unless otherwise provided for in this Contract, UNIDO shall not be liable for claims of any kind in connexion with the performance of such services. The Contractor and his employees shall conform to all applicable laws, regulations and ordinances promulgated by legally constituted authorities of the Government.

3. **The Contractor's Responsibility for Employees**

The Contractor shall supervise and be fully responsible for the work performed by and the professional and technical competence of his employees and shall select, for work under this Contract, reliable individuals who will perform effectively in the implementation of the Contract, comply with the laws of the Government, respect the local customs and conform to a high standard of moral and ethical conduct.

4. **Assignment of Personnel**

The Contractor shall not assign any personnel other than those referred to in this Contract for the performance of work in the field without the prior written approval of UNIDO. Prior to assigning any other personnel for the performance of work in the field, the Contractor shall submit to UNIDO for its consideration, the curriculum vitae of any person the Contractor proposes to assign for such service.

5. **Removal of Personnel**

Upon written request by UNIDO, the Contractor shall withdraw from the field any personnel provided under this Contract and shall replace such personnel by other acceptable to UNIDO, if UNIDO so requests. All costs and additional expenses resulting from the replacement, for whatever reason, of any of the Contractor's personnel shall be for the account of the Contractor. Such withdrawal shall not be considered as termination in part or in toto of this Contract under the provisions of paragraph 12 "Termination" hereafter.

6. **Assignment**

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof or of any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNIDO.

7. **Sub-Contracting**

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNIDO for all sub-contractors. UNIDO's approval of a sub-contractor shall not relieve the Contractor of any of his obligations under this Contract, and the terms of any sub-contract shall be subject to and in conformity with the provisions of this Contract.

8. **UNIDO Privileges and Immunities**

Nothing in or relating to this Contract shall be deemed a waiver of any of the privileges and immunities of UNIDO.

9. **Non-employment of UNIDO Staff Members**

The Contractor shall not, while this Contract is in effect, employ or consider the employment of UNIDO staff members without the prior written approval of UNIDO.

10. **Language, Weights and Measures**

Unless otherwise specified in the Contract, the English language shall be used by the Contractor in all written communications to UNIDO with respect to the services to be rendered and all documents procured or prepared by the Contractor pertaining to the work. The metric system of weights and measures shall be used by the Contractor and estimates of quantities involved shall be made and recorded in metric units, except when otherwise specified in the Contract.

11. Force Majeure

Force Majeure as used herein shall mean acts of God, laws or regulations, industrial disturbances, acts of the public enemy, civil disturbances, explosions and any other similar event of equivalent force not caused by nor within the control of either party and which neither party is able to overcome. As soon as possible after the occurrence of any event constituting Force Majeure, and if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract, the Contractor shall give notice and full particulars thereof in writing to UNIDO. In this event, the following provisions shall apply:

- (a) The obligations and responsibilities of the Contractor under this Contract shall be suspended to the extent of its inability to perform them and for as long as such inability continues. During such suspension and in respect of work suspended, the Contractor shall be entitled only to reimbursement by UNIDO, against appropriate vouchers, of the essential costs of maintenance of any of the Contractor's equipment and of per diem of the Contractor's personnel rendered idle by such suspension.
- (b) The Contractor shall, within fifteen (15) days of the occurrence of the Force Majeure, submit a statement to UNIDO of estimated expenditures for the duration of the period of suspension.
- (c) The term of this Contract shall be extended for a period equal to the period of suspension taking, however, into account any special conditions which may cause the time for completion of the work to be different from the period of suspension.
- (d) If the Contractor is rendered permanently unable, wholly or in part, by reason of Force Majeure, to perform its obligations and meet its responsibilities under this Contract, UNIDO shall have the right to terminate this Contract on the same terms and conditions as are provided for in paragraph 12, "Termination" except that the period of notice may be seven (7) days instead of thirty (30) days.
- (e) For the purpose of the preceding sub-paragraph (d), UNIDO may consider the Contractor permanently unable to perform in case of any period of suspension in excess of ninety (90) days. Any such period of ninety (90) days or less shall be deemed temporary inability to perform.

12. Termination

UNIDO may terminate this Contract in whole or in part and at any time, upon thirty (30) days' notice of termination to the Contractor. The initiation of arbitral proceedings in accordance with paragraph 16, "Arbitration", below shall not be deemed a termination of this Contract. In the event such termination is not caused by the Contractor's negligence or fault, UNIDO shall be liable to the Contractor for payment in respect of work already

accomplished, for the cost of repatriation of the Contractor's personnel, for necessary terminal expenses of the Contractor, and for the cost of such urgent work as is essential and as the Contractor is asked by UNIDO to complete. The Contractor shall keep expenses at a minimum and shall not undertake any forward commitment from the date of receipt of UNIDO's notice of termination.

13. Bankruptcy

Should the Contractor be adjudged bankrupt or be liquidated or become insolvent, or should the Contractor make a general assignment for the benefit of its creditors, or should a receiver be appointed on account of the Contractor's insolvency, UNIDO may, without prejudice to any other right or remedy it may have under the terms of this Contract, terminate this Contract forthwith by giving the Contractor written notice of such termination. The Contractor shall immediately inform UNIDO of the occurrence of any of the above events.

14. Insurance and Liabilities to Third Parties

- (a) The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- (b) The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- (c) The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.
- (d) Except for the workmen's compensation insurance, the insurance policies under this Article shall:
 - (i) Name UNIDO as additional insured;
 - (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against UNIDO;
 - (iii) Provide that UNIDO shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

- (e) The Contractor shall, upon request, provide UNIDO with satisfactory evidence of the insurance required under this Article.
- (f) Any amounts not insured or not recovered from the insurers shall be borne by the Contractor.
- (g) If the Contractor fails to effect and keep in force any of the insurances required under the Contract, then and in any such case UNIDO may, at its option, hold the Contractor in default in accordance with the Contract, or effect and keep in force any such insurances and pay any premium as may be necessary for that purpose and from time to time deduct the amount so paid from any monies due to the Contractor, or recover the same as a debt due from the Contractor.

15. Indemnification

The Contractor shall indemnify, hold and save harmless and defend at its own expense UNIDO, its officers, agents, servants and employees from and against all suits, claims, demands and liability of any nature or kind, including costs and expenses, arising out of acts, omissions, negligence or misconduct of the Contractor or its officers, agents, servants, representatives, employees, or sub-contractors in the performance of this Contract. This requirement shall extend to claims or liabilities in the nature of workmen's compensation and to claims or liabilities arising out of the use of patented inventions or devices. The obligations under this paragraph do not lapse upon termination of this Contract.

16. Settlement of Disputes

(a) Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

(b) Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final

adjudication of any such dispute. It is understood, however, that the provisions of this paragraph shall not constitute nor imply the waiver by UNIDO of its privileges and immunities.

17. **Obligations**

In connexion with the performance of its services under this Contract, the Contractor shall neither seek nor accept instructions from any authority external to UNIDO. The Contractor shall refrain from any action which may adversely affect UNIDO and shall fulfil its commitments with full regard for the interests of UNIDO. Unless authorized in writing by UNIDO, the Contractor shall not advertise or otherwise make public the fact that it is performing or has performed services for UNIDO. Also, the Contractor shall not, in any manner whatsoever, use the name, emblem or official seal of the United Nations or of UNIDO or any abbreviation of the name of the United Nations in connexion with its business or otherwise. The Contractor is required to exercise utmost discretion in all matters relating to this Contract. Unless required in connexion with the performance of its work under this Contract or where specifically authorized by UNIDO, the Contractor shall not communicate at any time to any person, government or authority external to UNIDO any information which has not been made public and which is known to it by reason of its association with UNIDO. The Contractor shall not, at any time, use such information to private advantage. These obligations do not lapse upon satisfactory completion of the work under this Contract or termination of this Contract, including termination by UNIDO.

18. **Title Rights**

- (a) The United Nations or UNIDO, as the case may be, shall be entitled to all property rights including but not limited to patents, copyrights and trademarks, with regard to material which bears a direct relation to, or results from the services provided to the United Nations or UNIDO by the Contractor under this Contract. At the request of UNIDO, the Contractor shall take all necessary steps, prepare and process all necessary documents and assist in securing such property rights and transferring them to the United Nations and UNIDO in compliance with the requirements of the applicable law.
- (b) Title to any equipment and supplies which may be furnished by UNIDO shall rest with the United Nations or UNIDO as the case may be and any such equipment and supplies shall be returned to UNIDO at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment and supplies, when returned to UNIDO, shall be in the same condition as when delivered by UNIDO to the Contractor, subject to normal wear and tear.

19. **Encumbrances/liens**

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with UNIDO against any monies due or to become due

for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

20. Tax Exemption

- (a) In accordance with Section 7 of the Convention on the Privileges and Immunities of the United Nations and Section 9 of the Convention on the Privileges and Immunities of Specialized Agencies which are applicable to UNIDO by virtue of Article 21 of its Constitution, UNIDO is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize UNIDO's exemption from such taxes, duties or charges, the Contractor shall immediately consult with UNIDO to determine a mutually acceptable procedure.
- (b) Accordingly, the Contractor authorizes UNIDO to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNIDO before the payment thereof and UNIDO has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide UNIDO with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

21. Child labor

- (a) The Contractor represents and warrants that neither him, nor any of his suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.
- (b) Any breach of this representation and warranty shall entitle UNIDO to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNIDO.

22. Mines

- (a) The Contractor represents and warrants that neither him, nor any of his suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

- (b) Any breach of this representation and warranty shall entitle UNIDO to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNIDO.

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VIENNA