REIMBURSABLE LOAN AGREEMENT

BETWEEN THE

UNITED NATIONS POPULATION FUND

AND

CHARLES UNIVERSITY

This Reimbursable Loan Agreement (this "Agreement") is entered into by and between:

The United Nations Population Fund ("<u>UNFPA</u>"), a subsidiary organ of the United Nations established by the General Assembly pursuant to resolution 3019 (XXVII) of 18 December 1972,

and

Charles University (hereinafter "Company"), with its principal place of business at Faculty of Science, Albertov 6, 128 43 Prague 2, Czech Republic.

UNFPA and the Company are hereinafter jointly referred to as the "<u>Parties</u>" and each separately as a "<u>Party</u>".

WHEREAS, UNFPA cooperates with and assists governments with respect to the formulation, adoption and implementation of their population policies and development strategies;

WHEREAS, the Company is an organization duly organized under the laws of Czech Republic;

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I The Services

1.1. The Company will provide to UNFPA the services of the "Consultant").

(hereinafter

1.2. The services will be provided as follows:

- (a) Start date: 23 October 2020
- (b) End date: 30 November 2020

1.3. The Consultant shall perform the services as further described in the attached Terms of Reference (<u>ANNEX I</u>), which shall form an integral part of this Agreement.

ARTICLE II UNDERTAKING BY CONSULTANT

The Consultant shall execute an undertaking in the form as appended as ANNEX II.

ARTICLE III Reimbursement

- 3.1 For the services performed by the Company under the terms of this Agreement and subject to the provisions of Article 5 below, UNFPA shall reimburse the Company the sum of: **US Dollars 45,000 as a gross lump sum upon delivery of all services.**
- 3.2 Other Reimbursable Items: UNFPA will reimburse the Company for the following (check as appropriate):

□ Airfare (in accordance with UNFPA policies and procedures)

□ Daily Subsistence Allowance (in accordance with UNFPA policies and procedures)

□ Terminal expenses (in accordance with UNFPA policies and procedures)

- 3.3 Any amount payable under this Agreement shall be payable only upon certification by UNFPA that services were satisfactorily performed. For payment of fees in installments, certification by UNFPA that Services were satisfactorily performed is required at each phase. Certification shall be done using such form of Certification of Payment as decided by UNFPA.
- 3.4 The Company will provide a Company invoice (attaching receipts and/or other supporting documents) to claim Other Reimbursable Items per section 3.2.
- 3.5 Payments made in a currency other than US Dollars will be made at the UN operational rate of exchange in effect on the day of payment. The Company is solely responsible for any taxes levied on the monies received under this Agreement.
- 3.6 The Company will complete and return a UNFPA vendor form, which will include the Company's banking details, in such format as required by UNFPA.

ARTICLE IV RIGHTS AND OBLIGATIONS

- 4.1 It is understood that the obligations of UNFPA are limited to those expressly provided for in this Agreement.
- 4.2 This Agreement shall not in any respect confer upon the Consultant the status of staff member of UNFPA.
- 4.3 The Company will make available the services of the Consultant for the period noted above, and will remain responsible for actual payment of salaries, employment benefits, taxes and any other overhead administrative charges.
- 4.4 It is understood that the Company will provide appropriate insurance and medical coverage for the Consultant. In particular, the Company will remain responsible for insuring the Consultant for any accident, illness, or death that may be suffered by the Consultant as a result of the performance under this Agreement.
- 4.5 The rights and obligations of the Company are strictly limited to the terms and conditions of this agreement. Accordingly, the Company shall not be entitled to any benefit, payment, subsidy, compensation or entitlement, except as expressly provided in this agreement.
- 4.6 The Company shall be solely liable for claims by third parties arising from negligent acts or omissions by the Company or the Consultant in the course of performing this Agreement, and under no circumstances shall UNFPA be held liable for such claims by third parties.
- 4.7 The title rights, copyrights and all other rights of whatsoever nature in any material produced under the provisions of this Agreement shall vest in UNFPA.
- 4.8 The Company shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its employees or any other persons engaged and controlled by the Company to perform any services under this Agreement. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Company shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favors or activities, or from engaging any sexual activities that are exploitive or degrading to any person.
- 4.9 UNFPA shall not apply the foregoing standard relating to age in any case in which the Company's personnel or any other person who may be engaged by the Company to perform any services under this Agreement is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage

is recognized as valid under the laws of the country of citizenship of such Company's personnel or such other person who may be engaged by the Company to perform any services under this Agreement.

ARTICLE V STANDARD CONDITIONS FOR REIMBURSABLE LOAN AGREEMENTS

The UNFPA Standard Conditions for Reimbursable Loan Agreements (<u>ANNEX III</u>) shall apply to this Agreement and shall constitute an integral part thereof.

ARTICLE VI TERM, TERMINATION

6.1 This Agreement shall enter into force upon signature by both Parties.

6.2 This Agreement shall expire on 15 December 2020 unless terminated earlier by either Party in accordance with the provisions of this Agreement.

ARTICLE VII NOTICES

Any notice or request required or permitted to be given or made under this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, certified mail, courier, telex, email or cable to the Party to which it is required to be given or made.

For UNFPA:

Name: Title: Deputy Regional Director Address: Hakki Yeten Cd, Selenium Plaza, No:10/C Kat 18 34349 Istanbul, Turkey Telephone: Facsimile: Electronic mail:

For Company:

Name: Jiří Zima Title: Prof. RNDr. Address: Charles University, Faculty of Science, Albertov 6, 128 43 Prague 2, Czech Republic Telephone: Facsimile: Electronic mail: **IN WITNESS WHEREOF**, the duly authorized representatives of the Parties affix their signatures below.

For the United Nations Population Fund:	For Charles University
Name:	Name: Prof. RNDr. Jiří Zima
Signat	Signature:
Date:	Date:

ANNEX I

TERMS OF REFERENCE FOR REIMBURSABLE LOAN AGREEMENT 2020 CUNI and UNFPA Online Training Courses in English and Russian

TERMS OF REFERENCE (to be completed by Hiring Office)		
Hiring Office:	UNFPA EECARO	
Title:	International consultancy to deliver a series of four online training seminars, two on Population Projections and Forecasts (one in the English language and one in the Russian language) and the other two on Population Ageing and Development (one in English and one in Russian).	
Purpose of consultancy:	The effort to manage the development of social systems is one of the manifestations of the existence of human society. Effective and efficient management of any society should consist, among others, of permanent decision-making, setting goals and objectives, formulating policies, planning and timely implementing the measures designed to ensure the sustainable development of the society. The decisions, policies, plans or other steps taken should be rational, evidence-based. Due to their universal orientation towards the future, all the elements of the management should be primarily based on forecasts - realistic, scientifically justified statements on future development, as well as on model projections, the model simulations of the given system future development.	
	The population represents the central, key element of any social system. No social system can exist without people. Moreover, many qualitative characteristics of the population are associated with its main demographic characteristics: population size and sex-age structure. Future changes in the size and sex-age structure of the population are the subject of population or demographic forecasts and projections.	
	Population prospects are a necessary starting point for the formulation of ideas about perspective development in many other areas. The population forecasts and model projections represent a basis for making conclusions on the future development of non-demographic characteristics of the population as well as many real systems containing population or just single phenomena related to the population. Such findings are labelled as derived forecasts and model projections or simulations.	
	The results of population and derived forecasts and corresponding model projections become one of the essential baseline data for decision-making within the framework of the management of social systems <i>sensu lato</i> , i.e. different social <i>sensu stricto</i> , economic, cultural, political, and ecological as well as other systems involving the population. The derived forecasts and model projections estimate, for instance, future developments of the number and structure of households, size and structures of the labour force, demand	

for education, the sustainability of selected segments of social or health system and demand for particular social services and health care. They can also address the prospective revenues and expenditures of the pension system or state and regional budgets, needed parameters of some kinds of technical infrastructure, housing and communal services including water and energy supply or communal waste management, public transport as well as consumer or electoral behaviour or effective marketing and political strategies, volume and structure of offered commercial services or manufactured goods of mass consumption, and many other aspects of society's functioning and development.

Population ageing is the universal demographic process. All the countries of the world are currently exposed to some, more or less visible form of this process. Any national population, with a probability bordering on certainty, are going to be exposed to all the stages of this process, including the rapid increase of the proportion of elderly. Available results of population forecasts and model projections simulating realistic changes of selected reproduction parameters signalize it already for decades. Population ageing is *de facto* unavoidable process, the logical consequence of another universal process – demographic transition. In general, the more dynamic the transition, the more dynamic and profound the process of demographic ageing.

Just as the ageing process cannot be avoided or reversed, its consequences cannot be completely reversed. The unwanted effects of ageing, however, can be a subject of successful reduction, mitigation or adaptation if the relevant measures are adopted and implemented in a timely manner. Under the same condition, societies can exploit the positive elements of the demographic ageing.

The fully adequate and timely policy response is a *conditio sine qua non* of successfully addressing the challenges posed by population development. The initial condition of such success, however, is an awareness of these challenges and the instruments enabling their assessment and proper response to them. Therefore the online training courses on Population Ageing and Development intend to provide a systemic insight into population ageing and suitable policy frameworks for a response to it. The training courses on Population Projections and Forecasts underline the necessity to have adequate, prospective information on most likely as well as the possible development of population for management of all social systems. The awareness in both these areas will help the governments in all the countries of the EECA region to realize the necessity and level of current urgency of specific measures and to think even more prospectively when managing social systems. It will also support the use of particular evidence – results of population projections and forecast – in the decision making and planning process.

For the training seminar design and implementation, UNFPA looks for an international expert who will provide a series of webinars on incorporating demography in policymaking.

Scope of work:	Within this consultancy it is expected to:
(Description of services, activities, or outputs)	 Develop program and training material for four online training courses on the following two topics, each in the English and Russian language version:
	a) Population Ageing and Development
	The training course will provide a general introduction to population ageing and development. Its main objective will be raising participants' awareness of the most significant demographic structural change and the development challenges that population ageing poses.
	Completing the course participants should be able to:
	 identify demographic drivers of population ageing,
	 interpret fundamental indicators of population ageing,
	• provide an overview of the global and regional trends in population ageing,
	• list the main challenges and opportunities related to population ageing,
	• identify international policy frameworks for response to population ageing,
	• understand the need of the knowledge base and platform for policy dialogue that would help address population ageing in the context of development in the country of origin,
	• realize the importance of further intensive education and training in this area to build up national expertise being able to tackle the challenges and opportunities
	b) Population Ageing and Development
	The training course will provide a general introduction to population projections and forecasts. Its main objective is raising participants' awareness of population and derived forecasts and model projections as an indispensable part of a public policy evidence base. The course will also advocate the need for a national system of official population and derived forecasts, and model projections.
	Completing the course participants should be able to: \Box
	 recognize what is and what is not a population forecast,
	• distinguish between the practical significance of population forecasts and model projections,
	• describe the general features of derived forecasts and model projections,
	• explain how to make them,
	• understand their role in evidence-based policymaking,

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	• realize the need for a national system of producing official population and derived forecasts, and model projections,
	• list the attributes of professional PPFs producers and qualified PPFs users,
	• specify data requirements for making population forecasts and model projections,
	• compile population forecast and model projection assignments,
	• understand the specific features and utility of the 2019 Revision of World Population Prospects (UN)
	2) Provide the training courses in an online format to mid-/high- level policymakers, consultants, researchers and university teachers, representatives of central statistical offices and UNFPA professional staff members (up to 20 participants per course). Online lectures should be combined with floor discussions (Q&A sessions), expert panel discussion, and seminar based on country reports presented by the participants of the course.
Duration and working schedule:	The work is expected to commence on 23 October 2020 and end on 30 November 2020. Working schedule: part time
Place where services are to be delivered:	The consultancy services will need to be provided in an online mode from the home country of the Individual Consultants.
Delivery dates and how work will be delivered (<i>e.g.</i> electronic, hard copy, etc.):	All deliverables under this consultancy will be in an electronic format. The provider of the consultancy will set the exact dates for the training courses. The training materials – presentations and any other materials to be used as reference should be provided in an electronic format. All deliverables to be sent to the registered participants of the particular training courses.
Monitoring and progress control, including reporting requirements, periodicity format and deadline:	The UNFPA EECARO will monitor the work under this consultancy via reviewing the training course concept note, program and other materials and documents provided to the participants.
Supervisory arrangements:	The Institutional Consultant will perform its activities under the overall guidance of and report to the UNFPA EECARO Advisor on PD.
Expected travel:	No mission is expected.
Required expertise, qualifications and competencies, including language requirements:	 Advanced university degree in demography, economics, population and other relevant studies. At least 10 years of relevant experience in providing demography courses for students and practicing professionals, capacity development in the area of population and development with a focus on demographic projections based on modern digital technologies. Extensive experience in conducting and facilitating trainings.

	 Working level of written and spoken English and Russian. Good understanding and practice of capacity development. Cultural and gender sensitivity.
Inputs / services to be provided by UNFPA or implementing partner (e.g support services, office space, equipment), if applicable:	UNFPA will arrange announcement and nomination of the training courses participants.
Other relevant information or special conditions, if any:	The cost of the consultancy \$45,000 based on negotiations and paid in a lump sum upon delivery of all services.
	The COA to be charged is:
	: UNFPA – 71XXX – FPA80 – 19000 – RECA8PD1– ACT4102 – PU0074
	: UNFPA – 71XXX - RUS07 – 19000 – RECA8PD1- ACT4102R – PU0074
	: UNFPA – 71XXX – FPA80 – 19000 – RECA8PD2 – ACT4202 – PU0074
	UNFPA – 71XXX - RUS07 – 19000 – RECA8PD2 – ACT4202R
Signature of Requesting O Date: ^{19-oct-2020}	fficer in Hiring Office

ANNEX II

UNDERTAKING

To: UNFPA Regional Office for Eastern Europe and Central Asia Hakki Yeten Cad. Selenium Plaza 10/C, Fulya, Besiktas, ISTANBUL-TURKEY

Dear Sir/Madam:

Re: Undertaking by Consultant

- 1. This refers to the Reimbursable Loan Agreement between Charles University and UNFPA, dated October 2020.
- 2. I, the undersigned, hereby undertake to abide by the following:
- (a) I understand that I shall not be considered in any respect as being an official or a staff member of the United Nations Population Fund ("UNFPA");
- (b) I shall perform my functions under the authority of, and in full compliance with the instructions of, the UNFPA, or any person acting on its behalf;
- (c) I shall respect the impartiality and independence of the United Nations and shall not seek nor accept instructions regarding my functions from any Government or from any authority external to the United Nations;
- (d) I shall refrain from any conduct that would adversely reflect on the UNFPA and shall not engage in any activity that is incompatible with the aims and objectives of the UNFPA or the exercise of my functions;
- (e) I shall exercise the utmost discretion in all matters relating to my functions and shall not communicate, at any time, without the authorization of the UNFPA to the media or to any other institution, person, Government or other authority external to the UNFPA, any information that has not been made public, and which has become known to me by reason of my functions. I shall not use any such information without the authorization of the UNFPA, and, in any event, such information shall not be used for personal gain. These obligations do not lapse upon termination of my assignment;

- (f) I shall comply with all rules, regulations, procedures, instructions or directives issued by the UNFPA.
- (g) I have received a copy of ST/SGB/2003/13 (Special measures for protection from sexual exploitation and sexual abuse) and shall abide by the standards of conduct listed therein regarding the prohibition of sexual exploitation and sexual abuse.

Sincerely yours,

(Signature)

ANNEX III

STANDARD CONDITIONS FOR REIMBURSABLE LOAN AGREEMENTS

Article 1 - Independent Contractor

1. The Company shall be considered as having the legal status of an independent contractor. The Employees of the Company shall not be considered in any aspect as being officials or staff members of the UNFPA. The Company shall be solely responsible for all claims by such persons arising out of or in connection with their agreement by the Company. The Company shall inform such persons of the foregoing.

Article 2 - Company's General Responsibilities

- 1. The Company shall perform its obligations under this Agreement with due diligence and efficiency and in conformity with sound professional, administrative and financial practices.
- 2. The Company shall act at all times so as to protect, and not be in conflict with, the interests of UNFPA.
- 3. The Company shall be responsible for the services performed by its Employees. To this end, and without limiting the generality of the foregoing, the Company shall select reliable individuals who will perform effectively in the implementation of the Agreement, respect the local customs and conform to a high standard of moral and ethical conduct.
- 4. The Company shall respect and abide by all applicable laws and regulations of the country in which the obligations under this Agreement are to be performed, and shall take all reasonable measures to ensure that its Employees do so.

Article 3 - Assignment of Personnel

1. Other than persons specifically named in this Agreement, no person shall be assigned by the Company to perform services in connection with this Agreement until after the Company has notified the UNFPA of the identity of such proposed persons and has provided the UNFPA with their curricula vitae, and the UNFPA has notified the Company of its approval of such assignments.

Article 4 - Removal of Personnel

- 1. If in the opinion of the UNFPA any of the Company's Employees prove themselves incapable of substantially carrying out their duties and/or are fundamentally unsuitable for the services, it shall be at the discretion of the UNFPA to decide if and when the services of such Company's employees under the Agreement shall be terminated and the Company be required to replace him. In this event the Company shall, on receipt of instructions from the UNFPA, comply forthwith and shall assign new persons in accordance with the provisions of Article 3.
- 2. Such withdrawal or replacement shall not be a cause for suspension of the Agreement.
- 3. Any costs or expenses resulting from any withdrawal or replacement of persons pursuant to paragraph 1 of this Article 4 shall be borne by the Company.

Article 5 - Indemnification and Insurance

- The Company shall indemnify, hold and save harmless and defend, at its own expense, the UNFPA, its officials, agents, servants and employees, from and against all suits, claims, demands and liability of any nature, including their costs and expenses, arising out of the acts or omissions of the Company or its Employees in the performance of this Agreement. This provision shall extend to claims and liability in the nature of workmen's compensation claims and those arising out of the use of patented inventions or devices.
- 2. The Company shall provide and thereafter maintain all appropriate workmen's compensation and liability insurance to cover its Employees and any claims for death, bodily injury or damage to property arising from the execution of this Agreement. The Company represents that the liability includes possible sub-contractors.
- 3. The Company shall ensure that all policies of insurance referred to above, other than workmen's compensation, shall name the UNFPA and, where appropriate, sub-contractors concerned, as additional insured parties.
- 4. Upon request by the UNFPA, the Company shall provide evidence, to the reasonable satisfaction of the UNFPA, of the insurance referred to above and shall give the UNFPA reasonable advance notice of any proposed changes related to such insurance.
- 5. The UNFPA undertakes no responsibility to provide life, accident, travel or any other insurance coverage which may be necessary or desirable in respect of any persons performing services in connection with this Agreement.

Article 6 - Sickness and Accident

- 1. If the Company's Employees fall sick in the period during which they are engaged on the Agreement, the UNFPA shall not be responsible for arranging or paying for medical treatment and attention.
- 2. The UNFPA shall not be required to pay for the services of the Company's Employees for any period that the Company's Employees are incapacitated by sickness.
- 3. If in the opinion of the UNFPA, any of the Company's Employees either has been or will be incapacitated by sickness for an unreasonable period or period then, and in that case, it shall be at the discretion of the UNFPA to decide if and when the employment of the Company's Employee under the Agreement shall be terminated and the Company be required to replace him. In this event, the Company shall on receipt of instructions from the UNFPA comply forthwith and shall substitute for the Employee whose services are so terminated another and satisfactory person and the whole costs of such replacements shall be at the Company's expense.

Article 7 - Encumbrances

 The Company shall not cause or permit any lien, attachment or other encumbrance by any third party to be placed on file or to remain on file in any public office or on file with the UNFPA against any monies due or to become due for any work done or services rendered in connection with this Agreement, or by reason of any claim or demand against the Company.

Article 8 - Source of Instructions

1. The Company shall neither seek nor accept instructions from any authority external to the UNFPA in connection with the performance of its services under this Agreement. The Company shall refrain from any action which may adversely affect the UNFPA and shall fulfill its commitments with the fullest regard for the interest of the UNFPA.

Article 9 - Prohibition of Conflicting Activities

1. The Company and its personnel admitted into the country to perform services under this Agreement shall not engage in any conflicting business or other activity in the country in which the services are to be performed, or accept paid employment in contravention with the laws of the country.

Article 10 - Officials not to Benefit

1. The Company warrants that no official of the UNFPA has been or shall be admitted by the Company to any direct or indirect benefit arising from this Agreement or the award thereof. The Company agrees that breach of this provision is a breach of an essential term of this Agreement.

Article 11 - Records, Accounts, Information and Audit

- 1. The Company shall maintain accurate and systematic records and accounts in respect of the performance of its obligations under this Agreement.
- 2. The Company shall furnish, compile and make available at all reasonable times to the UNFPA any records, accounts or other information, oral or written, which the UNFPA may reasonably request in respect of the performance by the Company of its obligations under this Agreement.
- 3. The Company shall allow the UNFPA to inspect and audit such records, accounts or other information upon reasonable notice.
- 4. Neither the Company nor the Consultant shall engage in any corrupt, fraudulent, collusive, coercive, obstructive or unethical practices. For purposes of this Agreement, the following definitions shall apply:
 - (i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of a public official;

(ii) "fraudulent practice" means any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation;

(iii) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;

(iv) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(v) "obstructive practice" means acts intended to materially impede the exercise of UNFPA's contractual rights of audit, investigation and access to information, including destruction, falsification, alteration or concealment of evidence material to a UNFPA investigation into allegations of fraud and corruption;

(vi) "unethical practice" means the conduct or behaviour that is contrary to staff or supplier codes of conduct, such as those relating to conflict of interest, gifts and hospitality, post-employment provisions, abuse of authority and harassment.

- 5. The Contractor acknowledges and agrees that UNFPA may conduct investigations, at such times as determined solely by UNFPA, relating to any aspect of the Agreement or the award thereof, the obligations performed under the Agreement, and the operations of the Company relating to performance of this Agreement. The right of UNFPA to conduct investigations and the Company's obligation to comply with such investigations shall not lapse upon expiration or prior termination of the Agreement.
- 6. The Contractor shall provide its full and timely cooperation with any such audits or investigations. Such cooperation shall include, but shall not be limited to, the Contractor's obligation to make available any relevant documentation for such purposes at reasonable times and on reasonable conditions. The Contractor shall require its attorneys, accountants or other advisers, to reasonably cooperate with any post-payment audits or investigations carried out by UNFPA hereunder.

Article 12 - Confidential Nature of Documents

- All maps, drawings, photographs, plans, manuscripts, records, reports, recommendations, estimates, documents and all other data compiled by or received by the Company under this Agreement shall be the property of the UNFPA, shall be treated as confidential and shall be delivered only to the authorized UNFPA officials on completion of work under this Agreement.
- 2. The Company may not communicate at any time to any other person, government or authority external to the UNFPA, any information known to it by reason of its association with the UNFPA which has not been made public except with the authorization of the UNFPA; nor shall the Company at any time use such information to private advantage. These obligations do not lapse upon termination of this Agreement with the UNFPA.

Article 13 - Copyright, Patents and other Proprietary Rights

1. The UNFPA shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights and trademarks, with regard to documents and other materials which bear a direct relation to or are prepared or collected in consequences or in the course of the execution of this Agreement. The Company, at the UNFPA's request shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring the same to the UNFPA in compliance with the requirements of the applicable law.

Article 14 - Use of Name, Emblem or Official Seal of the UNFPA

 The Company shall not advertise or otherwise make public the fact that it is a Company providing services for the UNFPA. Also the Company shall, in no manner whatsoever use the name, emblem or official seal of the UNFPA or any abbreviation of the name of the UNFPA in connection with its business or otherwise. This obligation does not lapse upon termination of the Agreement.

Article 15 - Company's Default

- 1. If the Company fails to carry out the Services or any part thereof with due diligence and expedition, or refuses or fails to comply with any reasonable order given to it in writing by the UNFPA, the UNFPA may immediately give notice in writing to the Company to make good such failure or contravention.
- 2. Should the Company fail to comply with the notice referred to in Sub-Clause 15.1 either within seven days from receipt of such notice, or otherwise within such times as may be reasonably necessary for making it good, the UNFPA without prejudice to any other right it may have under the Agreement may, subject to the prior notification of the Company
 - (a) employ others to carry out that part of the Services which the Company shall have failed to carry out, or
 - (b) take the Services in whole or in part out of the Company's hands and re-contract with others as may be appropriate.
- 3. If the cost to the UNFPA of employing others to carry out part or all of the Services in accordance with Sub-Clause 15.2. exceeds the amount which would have become payable to the Company had it completed that part or all of the Services, then the UNFPA shall have the right to charge such excess cost to the Company. The UNFPA shall also have the right to retain part or all of any sum which would otherwise be due to the Company under the Agreement and set such sum against the excess due from the Company.
- 4. If the Company fails to carry out the Services in part or in whole, the Company shall refund to the UNFPA any advance payment made in respect of that portion of the Services not carried out.
- 5. Nothing in this Clause shall, in the event of a malfunction, prevent emergency action being taken by the UNFPA to meet operational requirements but, if such actions result in the UNFPA incurring additional costs in carrying

out the Services, such reasonable costs shall be reimbursed to the Company by the UNFPA provided such emergency action is not taken as a result of failure by the Company.

Article 16 - Termination for Insolvency

1. The UNFPA may at any time terminate the Agreement by giving written notice to the Company, without compensation to the Company, if the Company becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the UNFPA.

Article 17 - Termination for Convenience

- 1. The UNFPA, may by written notice sent to the Company, terminate the Agreement, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the UNFPA's convenience, the extent to which performance of Services under the Agreement is terminated, and the date upon which such termination becomes effective. This shall be no fewer than 30 days from the date of the letter issued by the UNFPA detailing its intent to terminate the Agreement.
- 2. In the event of any termination no payment shall be due from the UNFPA to the Company except for the Services satisfactorily performed in conformity with the expressed terms of this Agreement.

Article 18 - Force Majeure

- 1. The Company shall not be liable for termination for default if, and to the extent that, its delay in performance or other failure to perform its obligations under the Agreement is the result of the event of Force Majeure.
- 2. For the purposes of this Clause, "Force Majeure" means an event beyond the control of the Company and not involving the Company's fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the UNFPA either in its sovereign or contractual capacity, wars, fires, floods, epidemics, quarantine restrictions. The Company acknowledges and agrees that, with respect to any obligations under the Agreement that the Company must perform in areas in which the United Nations is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas, or to any incidents of civil unrest occurring in such areas, shall not, in and of itself, constitute *force majeure* under the Agreement.
- 3. If a Force Majeure situation arises, the Company shall promptly notify the UNFPA in writing of such condition and the cause thereof. Unless otherwise directed by the UNFPA in writing, the Company shall continue to perform its obligations under the Agreement as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- 4. If the Company is rendered permanently unable, wholly or in part, by reason of Force Majeure to perform its obligations under this Agreement, the UNFPA shall have the right to suspend or terminate this Agreement with a period of notice to the Company of seven (7) days.

Article 19 - Arbitration

- 1. Amicable Settlement: The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the 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 Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.
- 2. Arbitration: Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 19.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 34 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award punitive to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall

be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

Article 20 - Privileges and Immunities

1. Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNFPA.

Article 21 - Tax Exemption

1. Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter alia, that the UN including this subsidiary organs, such as the UNFPA, are exempt from all direct taxes and from custom duties in respect of articles imported or exported for its official use. Accordingly, the Company authorizes the UNFPA to deduct from the Company's invoice any amount representing such taxes or duties. Payment of such corrected invoiced amount shall constitute full payment by the UNFPA. In the event any taxing authority refuses to recognize the UNFPA exemption from such taxes, the Company shall immediately consult with the UNFPA to determine a mutually acceptable procedure.

Article 22 - Amendments

1. No modification of or change in this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement signed by the parties hereto.
