



Request for Proposal (RFP) for the provision of internet services to the United Nations System Staff College in Turin, Italy

Date: 14 September 2017

Ref: RFP_2017_10

Dear Sir/Madam,

The United Nations System Staff College (hereinafter UNSSC) is hereby undertaking the solicitation of Proposals from companies who are interested to provide internet services to the UNSSC in Turin, Italy.

The successful bidder shall be contracted for this purpose for an initial period of 2 years (eg: 1 January 2018 or earliest mutually agreed date – December 2019), with an option for renewal up to another two years, upon satisfactory evaluation of performance.

To enable you to submit a Proposal, attached are:

- | | |
|-----------|------------------------------------|
| Annex I | Instructions to offerors |
| Annex II | Terms of reference |
| Annex III | Proposal submission form |
| Annex IV | Technical Proposal submission form |
| Annex V | Financial Proposal submission form |
| Annex VI | Evaluation Criteria |
| Annex VII | General Conditions of Contract |

Your offer comprising of:

- duly signed Proposal submission form;
- technical Proposal; and
- financial Proposal,

should reach the following email address by **05 October 2017 at 13.00**

procurement@unssc.org,

subject: **RFP_2017_10 Selection of Internet Service Provider for the UNSSC**

Instructions to Offerors

A. INTRODUCTION

1. GENERAL

This Annex outlines detailed procedures to be followed by interested providers in submitting their offer to UNSSC.

The Offeror is expected to examine all instructions, forms, terms and specifications contained in the solicitation documents. Failure to comply with these documents may affect the evaluation of the Proposal.

B. SOLICITATION DOCUMENTS

2. REQUEST FOR CLARIFICATION

A prospective Offeror requiring any clarification of the solicitation documents may notify in writing the procuring UNSSC entity using the address procurement@unssc.org. The UNSSC procuring entity will respond in writing to any request for clarification received earlier than 5 days prior to the deadline for the submission of Proposals. The organization's response (including an explanation of the query but without identifying the source of inquiry) will be posted on the UNSSC's website.

3. AMENDMENTS OF SOLICITATION DOCUMENTS

At any time prior to the deadline for submission of Proposals, the procuring UNSSC entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Offeror, modify the solicitation documents by amendment.

All prospective Offerors that have been invited and/or have downloaded the solicitation documents will be notified in writing of all amendments to the solicitation documents through the UNSSC's web-site.

To afford prospective Offerors reasonable time for incorporating additional details in their offers, the procuring UNSSC entity may extend the deadline for the submission of Proposals, if deemed necessary.

C. PREPARATION OF PROPOSALS

4. COST OF PROPOSALS

The Offeror shall bear all costs associated with the preparation and submission of the Proposal. The UNSSC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

5. LANGUAGE OF THE PROPOSAL

The Proposals prepared by the Offeror and all correspondence and documents relating to the Proposal exchanged by the Offeror and the procuring UNSSC entity shall be written in the English language. Any printed literature furnished by the Offeror may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

6. DOCUMENTS COMPRISING THE PROPOSAL

The Proposal shall comprise the following components:

- a) Proposal Submission Form (annex III)
- b) Technical Proposal: the financial Proposal shall be presented using the matrix in annex IV
- c) Financial Proposal: the financial Proposal shall be presented using the matrix in annex V

7. CURRENCY OF THE PROPOSAL

All prices shall be quoted in EURO (€).

8. VALIDITY OF PROPOSALS

Proposals shall remain valid for one hundred and twenty (120) days after the deadline for submission for Proposals set by UNSSC. A Proposal valid for a shorter period may be rejected by the procuring UNSSC entity on the grounds that it is non-responsive.

In exceptional circumstances, the procuring UNSSC entity may solicit the Offeror's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror granting the request will not be required nor permitted to modify its Proposal.

9. FORMAT AND SIGNING OF PROPOSALS

The Proposals shall be completed following the format structure indicated in para 6. A Proposal shall contain no interlineations, erasures, or overwriting, except as necessary to correct errors made by the Offeror, in which case such corrections shall be initialed by the person or persons signing the Proposal.

D. SUBMISSION OF PROPOSALS

10. MARKING OF THE PROPOSALS

The Offeror shall email the Proposal as an attachment to the following email address:

procurement@unssc.org

And the following subject:

"RFP_2017_10 for the Provision of Internet Services to UNSSC"

11. DEADLINE FOR SUBMISSION OF PROPOSALS

Proposals must be received by the procuring UNSSC entity at the email address specified in para. 10 no later than **05 October 2017 at 13.00**.

The procuring UNSSC entity may, at its own discretion, extend this deadline for the submission of Proposals by amending the solicitation documents, in which case all rights and obligations of the procuring UNSSC entity and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

12. LATE PROPOSALS

Any Proposal received by the procuring UNSSC entity after the deadline for submission of Proposals will be rejected.

13. MODIFICATION AND WITHDRAWAL OF PROPOSALS

The Offeror may withdraw its Proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the procuring UNSSC entity prior to the deadline prescribed for submission of Proposals.

The Offeror's withdrawal notice shall be prepared in accordance with the provisions of clause Deadline for Submission of Proposals.

No Proposal may be modified subsequent to the deadline for submission of Proposals.

No Proposal may be withdrawn in the interval between the deadline for submission of Proposals and the expiration of the period of Proposal validity specified by the Offeror on the Proposal Submission Form.

E. EVALUATION OF PROPOSALS

14. Proposals will be evaluated along the structure and the criteria illustrated in annex VI.

F. AWARD OF CONTRACT

15. AWARD CRITERIA, AWARD OF CONTRACT

The procuring UNSSC entity reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser's action.

Prior to expiration of the period of Proposal validity, the procuring UNSSC entity will award the contract to the qualified Offeror whose Proposal after being evaluated, is considered to

be the most responsive to the needs of the organization. UNSSC might need to present the proposals received to its Local Committee on Contract if required.

16. SIGNING OF THE CONTRACT

Within 30 days of receipt of the contract the successful Offeror shall sign and date the contract and return it to the UNSSC.

Terms of reference

A. BACKGROUND

The United Nations System Staff College was created by the General Assembly to serve as a distinct, system-wide knowledge-management and learning institution.

The goal of the Staff College is to provide strategic leadership, strengthen interagency collaboration, increase operational effectiveness, encourage cooperation with stakeholders, and develop a more cohesive management culture within the UN System.

In particular, the Staff College is mandated to focus on economic and social development, peace and security, and the internal management of the UN System.

The Staff College aims to tackle global challenges at their root by strengthening the institutional and management capacities of the UN System. In particular by:

- Providing training and learning services to UN staff members;
- Delivering management solutions to UN organizations;
- Supporting inter-agency collaboration within the UN System;
- Encouraging cooperation with the private sector and civil society;
- Promoting good management practices throughout the UN System.

B. DESCRIPTION OF REQUIREMENT

1. GENERAL REQUIREMENTS

All the services required as described below need to be implemented at the premises of the UNSSC.

UNSSC is located at pavilion "Oceania - 19" of the UN Campus in viale Maestri del Lavoro 10, Torino (picture below).



2. INTERNET CONNECTIVITY

UNSSC requires a dedicated, symmetric and permanent fiber optic connection at 1 Gb/s. In order to ensure diversity and resiliency with existing solution, Proposers are requested to provide details regarding the transport layer (including potential suppliers and paths) and the IP layer (including upstream providers). Multiple proposals may be sent based on different transport networks.

The fibre circuit has to be delivered at Oceania 19 Datacenter marked with “19” on the map (please see above).

The connection must be traffic-independent flat fee, unlimited usage, without any further restrictions of use (i.e. proxy, firewall, filtering server) and the internet bandwidth must be a dedicated (1:1) , symmetric line, not shared with other customers.

The Internet Service Providers must not capture or record the receiving and sending transmission and packets. Provider shall not scan traffic (should a scan be necessary to find problems in the network, a prior agreement must be obtained).

3. DEVICES INSTALLED AT UNSSC PREMISES

ISP shall offer a solution without a managed router. Proposals with device managed by the ISP will not be considered.

ISP shall provide connectivity to UNSSC installed device via fibre Gigabit Ethernet interface.

4. IP PROTOCOL AND ROUTING

Both IPv4 and IPv6 must be supported.

ISP shall provide a /27 IPv4 PA network prefix.

ISP shall provide a /48 IPv6 PA network prefix.

Layer 3 routing shall be based on BGPv4.

ISP shall announce provider independent IPv4 and IPv6 prefixes originated from UNSSC AS and AS of partner organization(s).

ISP should be able to advertise all the following routing prefixes:

- the IPv4 and IPv6 Internet Full Routing Table
- a subset of the IPv4 Internet Full Routing Table based on UNSSC requirement
- IPv4 and IPv6 default routes

ISP shall support BGP communities for traffic engineering and provide a link to its routing policy.

Example of Policy should include options for:

- filtering outbound announcements to specific upstream, peer or interconnection
- prepending ISP ASN on announcements to specific upstream, peer or interconnection
- black-hole traffic to specific host (RFC5635)
- set ISP local preference for UNSSC and partner's AS prefixes

BFD (bidirectional forward detection) should be supported.

5. RELATIONS WITH THE RIPE NCC

ISP must be a LIR (Local Internet Registry) and shall take care of all administration tasks related to the management of the AS Numbers and Provider Independent (PI) address spaces on behalf of the UNSSC.

6. PERFORMANCE

ISP shall provide a topology map of their network, showing all major connections and their associated bandwidths.

ISP shall have at least two upstream providers. It is desirable that these upstream are Tier 1 or Tier 2 (please provide details).

It is desirable that the ISP is present in most important Internet Exchanges (IX) such as, but not limited to, AMSIX, DECIX, LINX, PARIX, MIX, NYIIX.

Presence at Swiss Internet Exchanges such as CIXP, TIX, SwissIX will be an advantage.

ISP shall provide a matrix of baseline RTT between its PoP.

ISP shall not apply any measures to limit bandwidth nor any kind of QOS.

7. SECURITY

ISP may propose an optional anti-DDOS solution.

8. SERVICE LEVEL AGREEMENT

Service Availability Guarantee

ISP shall guarantee 99.8% availability of the solution provided on a yearly basis. Network unavailability will be defined as being when the UNSSC network monitoring system cannot reach a set of defined targets within and outside the ISP network. ISP shall provide reliable target(s) that can be used for network monitoring.

Bandwidth Guarantee

ISP shall provide a guarantee that

- 95% of the bandwidth will be available, at any moment, to reach a destination within the ISP network
- 80% of the bandwidth will be available, at any moment, to reach a destination of a major service or content provider (e.g. Amazon Web Services, Microsoft Azure, Google)

Latency Guarantee

ISP shall provide a guarantee that average RTT will not exceed more than 30% the values provided in the baseline RTT for 99% of the time on a monthly basis.

Packet Loss

ISP shall provide a guarantee that packet loss will not exceed 0.01% for 99% of the time on a monthly basis.

Packet loss will be measured from UNSSC network monitoring system by sending probes to a set of defined targets within and outside the ISP network. ISP shall provide reliable target(s) that can be used for this purpose.

Restoration Times

ISP shall guarantee that service will be restored in:
8 hours for a circuit.

SLA violations

ISP shall provide a document that describes compensations based on requested SLAs. For this purpose, ISP shall provide a reporting platform which shows statistics and service performance.

Installation Time

Service shall be activated within 60 calendar days from contract agreement.

Maintenance Windows

Notice of planned maintenance must be given to UNSSC SPOC at least 5 working days before the activities take place.

All activities must be carried out in a maintenance window between 22 PM and 6 AM CET/CEST.

The maintenance window does not apply to emergency work, which is expected to be carried out immediately. UNSSC still expects to be notified before the start of activities.

ISP Contact

ISP shall provide a single point of contact (SPOC) for incident management and for service requests and another single point of contact for contractual issues.

Technical Support

UNSSC requires a high level technical support always available (24H/day and 365 days/year) with proactive monitoring of the lines. The technical support must be provided directly by specialized technicians and not by a generic help desk center (ticketing system only).

The support will be requested in:

- Link Fault Diagnosis and Management,
- Network Equipment fault Diagnosis and Management,
- Hardware Vendor Assistance Management (routers and switches, if any),
- Carrier fault Contacting,
- DNS modifications and problems

9. DOMAIN MANAGEMENT

UNSSC requires the Internet Service Provider (ISP) to manage approximately 5 domains during the duration of the contract. The domains are already in use by UNSSC and its management shall already be included in the contract service.

10. DNS

The ISP is requested to provide a DNS service.

11. WEB-BASED STATISTICS SERVICE

UNSSC requires a real-time web-based view of its internet connection performance.

This service shall be performed in line with the following requirements:

- Data shall be collected in various graphical forms
- Graphs shall be completely configurable by parameter.
- Access to the statistics and possible visual combinations shall be available only through user/password combination.

The statistics shall be in real time with a maximum delay of 5 minutes (e.g.: the most recent statistic shall be based on data that is not older than 5 minutes).

Proposal Submission Form

Dear Sir / Madam,

Having examined the Solicitation Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services specified in your Request for Proposal.

We undertake, if our Proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

We agree to abide by this Proposal for a period of 120 days from the deadline submission.

We acknowledge that it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any Proposal you may receive.

Date:

Signature:

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of:

Technical Proposal Forms

The Technical Proposal should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the Financial Proposal (see annex V).

1. Please provide a company profile, including a detailed description of organizational capability and resources;
2. Please provide a detailed description of your proposal, by replying to each of the 11 paragraphs mentioned in the “description of requirements” above (annex II).

Financial Proposal Submission Form

Please provide a lump sum financial proposal for the service required, including installation and migration cost, if any. The financial proposal shall be expressed in EURO and shall refer to the cost of the contract **per year**.

Evaluation Criteria

UNSSC will undertake 2 evaluation processes. A two-stage procedure is utilized in the evaluation process.

1. Technical Evaluation

The maximum score obtainable in the technical evaluation is **700 points**. Technical Proposals will be evaluated along the following matrix. Proposals must satisfy all the general conditions of the following 4 groups

Demonstrated understanding and ability to execute the overall project, consistent with the TOR:	
Technical soundness with realistic approach and evidence that the need has been researched	120
Opportunities, risks and the different components of the project adequately weighted/taken into account	
Technology levels used are justified and substantiated	
Evidence of a quality assurance programme, corrective action plan or other form of warranty programme	
Flexibility to deal with change and contingencies	
Deployment time	
Network setup and performance	
The minimum guarantee of the network's nominal bandwidth	270
The bandwidth measurements methodologies and how the bandwidth performances are certified	
The main network interconnection points with other Internet networks	
The minimum guarantee of the network's service availability during the life of the contract	
If and how information service regarding the state of the network and related control is available	
If and how the redundancy of international connections is implemented	
Time required for the change of management and migration	
How the management of domains will be implemented	
Service level agreement	
Proposed Service Level Agreement (SLA) terms and conditions	270
Average time to solve a problem	
Link Fault Diagnosis and Management	
Network Equipment fault Diagnosis and Management	
Hardware Vendor Assistance Management (routers and switches, if any),	
Management of carrier faults,	
Management of DNS modifications and problems	
Quality of the web interface to monitor the internet usage and statics	
Expertise and capability of firm i.e.:	
General Organizational Capability	40
General Organizational Resources	

2. Financial Proposal

Proposals will be considered for financial evaluation only if the respective technical proposals:

- a) Are respondent on all the categories of the technical evaluation (see technical evaluation table above);
- b) Passed the minimum technical score of 70% out of 700 points (equal to 490 points) in the evaluation of the technical Proposals.

The final score for the financial Proposal will be calculated as follows:

$$\text{FS} = 300 \times \text{LP}/\text{F}$$

FS= financial score

LP= lowest price

F= price of the Proposal under consideration

The maximum score obtainable in the financial evaluation is **300 points**.

Please note that the UNSSC is an international organization that is not subject to VAT. The financial proposal shall therefore be expressed VAT net.

GENERAL CONDITIONS OF CONTRACT

CONTRACTS FOR THE PROVISION OF SERVICES

1. **LEGAL STATUS OF THE PARTIES:** The United Nations and the Contractor shall also each be referred to as a “Party” hereunder, and:
 - 1.1 Pursuant, *inter alia*, to the Charter of the United Nations and the Convention on the Privileges and Immunities of the United Nations, the United Nations, including its subsidiary organs, has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfillment of its purposes.
 - 1.2 The Contractor shall have the legal status of an independent contractor *vis-à-vis* the United Nations, and nothing contained in or relating to the Contract shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The officials, representatives, employees, or subcontractors of each of the Parties shall not be considered in any respect as being the employees or agents of the other Party, and each Party shall be solely responsible for all claims arising out of or relating to its engagement of such persons or entities.
2. **RESPONSIBILITY FOR EMPLOYEES:** To the extent that the Contract involves the provision of any services to the United Nations by the Contractor’s officials, employees, agents, servants, subcontractors and other representatives (collectively, the Contractor’s “personnel”), the following provisions shall apply:
 - 2.1 The Contractor shall be responsible for the professional and technical competence of the personnel it assigns to perform work under the Contract and will select reliable and competent individuals who will be able to effectively perform the obligations under the Contract and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.
 - 2.2 Such Contractor personnel shall be professionally qualified and, if required to work with officials or staff of the United Nations, shall be able to do so effectively. The qualifications of any personnel whom the Contractor may assign or may propose to assign to perform any obligations under the Contract shall be substantially the same, or better, as the qualifications of any personnel originally proposed by the Contractor.
 - 2.3 At the option of and in the sole discretion of the United Nations:
 - 2.3.1 the qualifications of personnel proposed by the Contractor (*e.g.*, a curriculum vitae) may be reviewed by the United Nations prior to such personnel’s performing any obligations under the Contract;
 - 2.3.2 any personnel proposed by the Contractor to perform obligations under the Contract may be interviewed by qualified staff or officials of the United Nations prior to such personnel’s performing any obligations under the Contract; and,
 - 2.3.3 in cases in which, pursuant to Article 2.3.1 or 2.3.2, above, the United Nations has reviewed the qualifications of such Contractor’s personnel, the United Nations may reasonably refuse to accept any such personnel.
 - 2.4 Requirements specified in the Contract regarding the number or qualifications of the Contractor’s personnel may change during the course of performance of the Contract. Any such change shall be made only following written notice of such proposed change and upon written agreement between the Parties regarding such change, subject to the following:
 - 2.4.1 The United Nations may, at any time, request, in writing, the withdrawal or replacement of any of the Contractor’s personnel, and such request shall not be unreasonably refused by the Contractor.
 - 2.4.2 Any of the Contractor’s personnel assigned to perform obligations under the Contract shall not be withdrawn or replaced without the prior written consent of the United Nations, which shall not be unreasonably withheld.



- 2.4.3 The withdrawal or replacement of the Contractor's personnel shall be carried out as quickly as possible and in a manner that will not adversely affect the performance of obligations under the Contract.
- 2.4.4 All expenses related to the withdrawal or replacement of the Contractor's personnel shall, in all cases, be borne exclusively by the Contractor.
- 2.4.5 Any request by the United Nations for the withdrawal or replacement of the Contractor's personnel shall not be considered to be a termination, in whole or in part, of the Contract, and the United Nations shall not bear any liability in respect of such withdrawn or replaced personnel.
- 2.4.6 If a request for the withdrawal or replacement of the Contractor's personnel is *not* based upon a default by or failure on the part of the Contractor to perform its obligations in accordance with the Contract, the misconduct of the personnel, or the inability of such personnel to reasonably work together with United Nations officials and staff, then the Contractor shall not be liable by reason of any such request for the withdrawal or replacement of the Contractor's personnel for any delay in the performance by the Contractor of its obligations under the Contract that is substantially the result of such personnel's being withdrawn or replaced.
- 2.5 Nothing in Articles 2.2, 2.3 and 2.4, above, shall be construed to create any obligations on the part of the United Nations with respect to the Contractor's personnel assigned to perform work under the Contract, and such personnel shall remain the sole responsibility of the Contractor.
- 2.6 The Contractor shall be responsible for requiring that all personnel assigned by it to perform any obligations under the Contract and who may have access to any premises or other property of the United Nations shall:
- 2.6.1 undergo or comply with security screening requirements made known to the Contractor by the United Nations, including but not limited to, a review of any criminal history;
- 2.6.2 when within United Nations premises or on United Nations property, display such identification as may be approved and furnished by the United Nations security officials, and that upon the withdrawal or replacement of any such personnel or upon termination or completion of the Contract, such personnel shall immediately return any such identification to the United Nations for cancellation.
- 2.7 Within one working day after learning that any of Contractor's personnel who have access to any United Nations premises have been charged by law enforcement authorities with an offense other than a minor traffic offense, the Contractor shall provide written notice to inform the United Nations about the particulars of the charges then known and shall continue to inform the United Nations concerning all substantial developments regarding the disposition of such charges.
- 2.8 All operations of the Contractor, including without limitation, storage of equipment, materials, supplies and parts, within United Nations premises or on United Nations property shall be confined to areas authorized or approved by the United Nations. The Contractor's personnel shall not enter or pass through and shall not store or dispose of any of its equipment or materials in any areas within United Nations premises or on United Nations property without appropriate authorization from the United Nations.
3. **ASSIGNMENT:**
- 3.1 Except as provided in Article 3.2, below, the Contractor may not assign, transfer, pledge or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of the UN. Any such unauthorized assignment, transfer, pledge or other disposition, or any attempt to do so, shall not be binding on the United Nations. Except as permitted with respect to any approved subcontractors, the Contractor shall not delegate any of its obligations under this Contract, except with the prior written consent of the UN. Any such unauthorized delegation, or attempt to do so, shall not be binding on the United Nations.
- 3.2 The Contractor may assign or otherwise transfer the Contract to the surviving entity resulting from a reorganization of the Contractor's operations, *provided that:*
- 3.2.1 such reorganization is not the result of any bankruptcy, receivership or other similar proceedings;
and,



- 3.2.2 such reorganization arises from a sale, merger, or acquisition of all or substantially all of the Contractor's assets or ownership interests; *and*,
- 3.2.3 the Contractor promptly notifies the United Nations about such assignment or transfer at the earliest opportunity; *and*,
- 3.2.4 the assignee or transferee agrees in writing to be bound by all of the terms and conditions of the Contract, and such writing is promptly provided to the United Nations following the assignment or transfer.
4. **SUBCONTRACTING:** In the event that the Contractor requires the services of subcontractors to perform any obligations under the Contract, the Contractor shall obtain the prior written approval of the United Nations. The United Nations shall be entitled, in its sole discretion, to review the qualifications of any subcontractors and to reject any proposed subcontractor that the United Nations reasonably considers is not qualified to perform obligations under the Contract. The United Nations shall have the right to require any subcontractor's removal from United Nations premises without having to give any justification therefor. Any such rejection or request for removal shall not, in and of itself, entitle the Contractor to claim any delays in the performance, or to assert any excuses for the non-performance, of any of its obligations under the Contract, and the Contractor shall be solely responsible for all services and obligations performed by its subcontractors. The terms of any subcontract shall be subject to, and shall be construed in a manner that is fully in accordance with, all of the terms and conditions of the Contract.
5. **INDEMNIFICATION:**
- 5.1 The Contractor shall indemnify, defend, and hold and save harmless, the United Nations, and its officials, agents and employees, from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any third party against the United Nations, including, but not limited to, all litigation costs and expenses, attorney's fees, settlement payments and damages, based on, arising from, or relating to:
- 5.1.1 allegations or claims that the possession of or use by the United Nations of any patented device, any copyrighted material, or any other goods, property or services provided or licensed to the United Nations under the terms of the Contract, in whole or in part, separately or in a combination contemplated by the Contractor's published specifications therefor, or otherwise specifically approved by the Contractor, constitutes an infringement of any patent, copyright, trademark, or other intellectual property right of any third party; *or*,
- 5.1.2 any acts or omissions of the Contractor, or of any subcontractor or anyone directly or indirectly employed by them in the performance of the Contract, which give rise to legal liability to anyone not a party to the Contract, including, without limitation, claims and liability in the nature of a claim for workers' compensation.
- 5.2 The indemnity set forth in Article 5.1.1, above, shall not apply to:
- 5.2.1 A claim of infringement resulting from the Contractor's compliance with specific written instructions by the United Nations directing a change in the specifications for the goods, property, materials, equipment or supplies to be or used, or directing a manner of performance of the Contract or requiring the use of specifications not normally used by the Contractor; *or*
- 5.2.2 A claim of infringement resulting from additions to or changes in any goods, property, materials equipment, supplies or any components thereof furnished under the Contract if the United Nations or another party acting under the direction of the United Nations made such changes.
- 5.3 In addition to the indemnity obligations set forth in this Article 5, the Contractor shall be obligated, at its sole expense, to defend the United Nations and its officials, agents and employees, pursuant to this Article 5, regardless of whether the suits, proceedings, claims and demands in question actually give rise to or otherwise result in any loss or liability.
- 5.4 The United Nations shall advise the Contractor about any such suits, proceedings, claims, demands, losses or liability within a reasonable period of time after having received actual notice thereof. The Contractor shall have sole control of the defense of any such suit, proceeding, claim or demand and of all negotiations in connection with the settlement or compromise thereof, except with respect to the assertion or defense of the privileges and immunities of the United Nations or any matter relating thereto, for which only the United



Nations itself is authorized to assert and maintain. The United Nations shall have the right, at its own expense, to be represented in any such suit, proceeding, claim or demand by independent counsel of its own choosing.

5.5 In the event the use by the United Nations of any goods, property or services provided or licensed to the United Nations by the Contractor, in whole or in part, in any suit or proceeding, is for any reason enjoined, temporarily or permanently, or is found to infringe any patent, copyright, trademark or other intellectual property right, or in the event of a settlement, is enjoined, limited or otherwise interfered with, then the Contractor, at its sole cost and expense, shall, promptly, either:

5.5.1 procure for the United Nations the unrestricted right to continue using such goods or services provided to the United Nations;

5.5.2 replace or modify the goods or services provided to the United Nations, or part thereof, with the equivalent or better goods or services, or part thereof, that is non-infringing; *or*,

5.5.3 refund to the United Nations the full price paid by the United Nations for the right to have or use such goods, property or services, or part thereof.

6. INSURANCE AND LIABILITY:

6.1 The Contractor shall pay the United Nations promptly for all loss, destruction, or damage to the property of the United Nations caused by the Contractor's personnel or by any of its subcontractors or anyone else directly or indirectly employed by the Contractor or any of its subcontractors in the performance of the Contract.

6.2 Unless otherwise provided in the Contract, prior to commencement of performance of any other obligations under the Contract, and subject to any limits set forth in the Contract, the Contractor shall take out and shall maintain for the entire term of the Contract, for any extension thereof, and for a period following any termination of the Contract reasonably adequate to deal with losses:

6.2.1 insurance against all risks in respect of its property and any equipment used for the performance of the Contract;

6.2.2 workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Contractor's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Contract;

6.2.3 liability insurance in an adequate amount to cover all claims, including, but not limited to, claims for death and bodily injury, products and completed operations liability, loss of or damage to property, and personal and advertising injury, arising from or in connection with the Contractor's performance under the Contract, including, but not limited to, liability arising out of or in connection with the acts or omissions of the Contractor, its personnel, agents, or invitees, or the use, during the performance of the Contract, of any vehicles, boats, airplanes or other transportation vehicles and equipment, whether or not owned by the Contractor; *and*,

6.2.4 such other insurance as may be agreed upon in writing between the United Nations and the Contractor.

6.3 The Contractor's liability policies shall also cover subcontractors and all defense costs and shall contain a standard "cross liability" clause.

6.4 The Contractor acknowledges and agrees that the United Nations accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or desirable in respect of any personnel performing services for the Contractor in connection with the Contract.

6.5 Except for the workers' compensation insurance or any self-insurance program maintained by the Contractor and approved by the United Nations, in its sole discretion, for purposes of fulfilling the Contractor's requirements for providing insurance under the Contract, the insurance policies required under the Contract shall:

6.5.1 name the United Nations as an additional insured under the liability policies, including, if required, as a separate endorsement under the policy;



- 6.5.2 include a waiver of subrogation of the Contractor's insurance carrier's rights against the United Nations;
- 6.5.3 provide that the United Nations shall receive written notice from the Contractor's insurance carrier not less than thirty (30) days prior to any cancellation or material change of coverage; *and*,
- 6.5.4 include a provision for response on a primary and non-contributing basis with respect to any other insurance that may be available to the United Nations.
- 6.6 The Contractor shall be responsible to fund all amounts within any policy deductible or retention.
- 6.7 Except for any self-insurance program maintained by the Contractor and approved by the United Nations for purposes of fulfilling the Contractor's requirements for maintaining insurance under the Contract, the Contractor shall maintain the insurance taken out under the Contract with reputable insurers that are in good financial standing and that are acceptable to the United Nations. Prior to the commencement of any obligations under the Contract, the Contractor shall provide the United Nations with evidence, in the form of certificate of insurance or such other form as the United Nations may reasonably require, that demonstrates that the Contractor has taken out insurance in accordance with the requirements of the Contract. The United Nations reserves the right, upon written notice to the Contractor, to obtain copies of any insurance policies or insurance program descriptions required to be maintained by the Contractor under the Contract. Notwithstanding the provisions of Article 6.5.3, above, the Contractor shall promptly notify the United Nations concerning any cancellation or material change of insurance coverage required under the Contract.
- 6.8 The Contractor acknowledges and agrees that neither the requirement for taking out and maintaining insurance as set forth in the Contract nor the amount of any such insurance, including, but not limited to, any deductible or retention relating thereto, shall in any way be construed as limiting the Contractor's liability arising under or relating to the Contract.
7. **ENCUMBRANCES AND 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 the United Nations against any monies due to the Contractor or that may become due for any work done or against any goods supplied or materials furnished under the Contract, or by reason of any other claim or demand against the Contractor or the United Nations.
8. **EQUIPMENT FURNISHED BY THE UNITED NATIONS TO THE CONTRACTOR:** Title to any equipment and supplies that may be furnished by the United Nations to the Contractor for the performance of any obligations under the Contract shall rest with the United Nations, and any such equipment shall be returned to the United Nations at the conclusion of the Contract or when no longer needed by the Contractor. Such equipment, when returned to the United Nations, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear, and the Contractor shall be liable to compensate the United Nations for the actual costs of any loss of, damage to, or degradation of the equipment that is beyond normal wear and tear.
9. **COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:**
- 9.1 Except as is otherwise expressly provided in writing in the Contract, the United Nations shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the United Nations under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract. The Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the United Nations.
- 9.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the United Nations does not and shall not claim any ownership interest thereto, and the Contractor grants to the United Nations a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.
- 9.3 At the request of the United Nations, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the United Nations in compliance with the requirements of the applicable law and of the Contract.



9.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the United Nations, shall be made available for use or inspection by the United Nations at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to United Nations authorized officials on completion of work under the Contract.

10. **PUBLICITY, AND USE OF THE NAME, EMBLEM OR OFFICIAL SEAL OF THE UNITED NATIONS:** The Contractor shall not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship with the United Nations, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of the United Nations, or any abbreviation of the name of the United Nations in connection with its business or otherwise without the written permission the United Nations.

11. **CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:** Information and data that is considered proprietary by either Party or that is delivered or disclosed by one Party (“Discloser”) to the other Party (“Recipient”) during the course of performance of the Contract, and that is designated as confidential (“Information”), shall be held in confidence by that Party and shall be handled as follows:

11.1 The Recipient shall:

11.1.1 use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser’s Information as it uses with its own similar Information that it does not wish to disclose, publish or disseminate; *and*,

11.1.2 use the Discloser’s Information solely for the purpose for which it was disclosed.

11.2 Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 11, the Recipient may disclose Information to:

11.2.1 any other party with the Discloser’s prior written consent; *and*,

11.2.2 the Recipient’s employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls, controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, *provided that*, for these purposes a controlled legal entity means:

11.2.2.1 a corporate entity in which the Party owns or otherwise controls, whether directly or indirectly, over fifty percent (50%) of voting shares thereof; *or*,

11.2.2.2 any entity over which the Party exercises effective managerial control; *or*,

11.2.2.3 for the United Nations, a principal or subsidiary organ of the United Nations established in accordance with the Charter of the United Nations.

11.3 The Contractor may disclose Information to the extent required by law, *provided that*, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the United Nations sufficient prior notice of a request for the disclosure of Information in order to allow the United Nations to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

11.4 The United Nations may disclose Information to the extent as required pursuant to the Charter of the United Nations, or pursuant to resolutions or regulations of the General Assembly or rules promulgated thereunder.

11.5 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.

11.6 These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.



12. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS:

- 12.1 In the event of and as soon as possible after the occurrence of any cause constituting *force majeure*, the affected Party shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under the Contract. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of the Contract. Not more than fifteen (15) days following the provision of such notice of *force majeure* or other changes in condition or occurrence, the affected Party shall also submit a statement to the other Party of estimated expenditures that will likely be incurred for the duration of the change in condition or the event of *force majeure*. On receipt of the notice or notices required hereunder, the Party not affected by the occurrence of a cause constituting *force majeure* shall take such action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under the Contract.
- 12.2 If the Contractor is rendered unable, wholly or in part, by reason of *force majeure* to perform its obligations and meet its responsibilities under the Contract, the United Nations shall have the right to suspend or terminate the Contract on the same terms and conditions as are provided for in Article 13, "Termination," except that the period of notice shall be seven (7) days instead of thirty (30) days. In any case, the United Nations shall be entitled to consider the Contractor permanently unable to perform its obligations under the Contract in case the Contractor is unable to perform its obligations, wholly or in part, by reason of *force majeure* for any period in excess of ninety (90) days.
- 12.3 *Force majeure* as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, *provided that* such acts arise from causes beyond the control and without the fault or negligence of the Contractor. The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor 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 Contract.

13. TERMINATION:

- 13.1 Either Party may terminate the Contract for cause, in whole or in part, upon thirty (30) day's notice, in writing, to the other Party. The initiation of conciliation or arbitral proceedings in accordance with Article 16 "Settlement of Disputes," below, shall not be deemed to be a "cause" for or otherwise to be in itself a termination of the Contract.
- 13.2 The United Nations may terminate the Contract at any time by providing written notice to the Contractor in any case in which the mandate of the United Nations applicable to the performance of the Contract or the funding of the United Nations applicable to the Contract is curtailed or terminated, whether in whole or in part. In addition, unless otherwise provided by the Contract, upon sixty (60) day's advance written notice to the Contractor, the United Nations may terminate the Contract without having to provide any justification therefor.
- 13.3 In the event of any termination of the Contract, upon receipt of notice of termination that has been issued by the United Nations, the Contractor shall, except as may be directed by the United Nations in the notice of termination or otherwise in writing:
- 13.3.1 take immediate steps to bring the performance of any obligations under the Contract to a close in a prompt and orderly manner, and in doing so, reduce expenses to a minimum;
 - 13.3.2 refrain from undertaking any further or additional commitments under the Contract as of and following the date of receipt of such notice;
 - 13.3.3 place no further subcontracts or orders for materials, services, or facilities, except as the United Nations and the Contractor agree in writing are necessary to complete any portion of the Contract that is not terminated;
 - 13.3.4 terminate all subcontracts or orders to the extent they relate to the portion of the Contract terminated;



- 13.3.5 transfer title and deliver to the United Nations the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced or acquired for the portion of the Contract terminated;
- 13.3.6 deliver all completed or partially completed plans, drawings, information, and other property that, if the Contract had been completed, would be required to be furnished to the United Nations thereunder;
- 13.3.7 complete performance of the work not terminated; *and*,
- 13.3.8 take any other action that may be necessary, or that the United Nations may direct in writing, for the minimization of losses and for the protection and preservation of any property, whether tangible or intangible, related to the Contract that is in the possession of the Contractor and in which the United Nations has or may be reasonably expected to acquire an interest.
- 13.4 In the event of any termination of the Contract, the United Nations shall be entitled to obtain reasonable written accountings from the Contractor concerning all obligations performed or pending in accordance with the Contract. In addition, the United Nations shall not be liable to pay the Contractor except for those goods delivered and services provided to the United Nations in accordance with the requirements of the Contract, but only if such goods or services were ordered, requested or otherwise provided prior to the Contractor's receipt of notice of termination from the United Nations or prior to the Contractor's tendering of notice of termination to the United Nations.
- 13.5 The United Nations may, without prejudice to any other right or remedy available to it, terminate the Contract forthwith in the event that:
- 13.5.1 the Contractor is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies for a moratorium or stay on any payment or repayment obligations, or applies to be declared insolvent;
- 13.5.2 the Contractor is granted a moratorium or a stay, or is declared insolvent;
- 13.5.3 the Contractor makes an assignment for the benefit of one or more of its creditors;
- 13.5.4 a Receiver is appointed on account of the insolvency of the Contractor;
- 13.5.5 the Contractor offers a settlement in lieu of bankruptcy or receivership; *or*,
- 13.5.6 the United Nations reasonably determines that the Contractor has become subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Contractor to perform any of its obligations under the Contract.
- 13.6 Except as prohibited by law, the Contractor shall be bound to compensate the United Nations for all damages and costs, including, but not limited to, all costs incurred by the United Nations in any legal or non-legal proceedings, as a result of any of the events specified in Article 13.5, above, and resulting from or relating to a termination of the Contract, even if the Contractor is adjudged bankrupt, or is granted a moratorium or stay or is declared insolvent. The Contractor shall immediately inform the United Nations of the occurrence of any of the events specified in Article 13.5, above, and shall provide the United Nations with any information pertinent thereto.
- 13.7 The provisions of this Article 13 are without prejudice to any other rights or remedies of the United Nations under the Contract or otherwise.
14. **NON-WAIVER OF RIGHTS:** The failure by either Party to exercise any rights available to it, whether under the Contract or otherwise, shall not be deemed for any purposes to constitute a waiver by the other Party of any such right or any remedy associated therewith, and shall not relieve the Parties of any of their obligations under the Contract.
15. **NON-EXCLUSIVITY:** Unless otherwise specified in the Contract, the United Nations shall have no obligation to purchase any minimum quantities of goods or services from the Contractor, and the United Nations shall have no limitation on its right to obtain goods or services of the same kind, quality and quantity described in the Contract, from any other source at any time.
16. **SETTLEMENT OF DISPUTES:**
- 16.1 **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.

16.2 **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 16.1, 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”) 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 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.

17. **PRIVILEGES AND IMMUNITIES:** Nothing in or relating to the Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

18. **TAX EXEMPTION:**

18.1 Article II, Section 7, of the Convention on the Privileges and Immunities of the United Nations provides, *inter alia*, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs restrictions, 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 the exemptions of the United Nations from such taxes, restrictions, duties, or charges, the Contractor shall immediately consult with the United Nations to determine a mutually acceptable procedure.

18.2 The Contractor authorizes the United Nations to deduct from the Contractor’s invoices any amount representing such taxes, duties or charges, unless the Contractor has consulted with the United Nations before the payment thereof and the United Nations has, in each instance, specifically authorized the Contractor to pay such taxes, duties, or charges under written protest. In that event, the Contractor shall provide the United Nations with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized, and the United Nations shall reimburse the Contractor for any such taxes, duties, or charges so authorized by the United Nations and paid by the Contractor under written protest.

19. **MODIFICATIONS:**

19.1 Pursuant to the Financial Regulations and Rules of the United Nations, only the Chief of the United Nations Procurement Division, or such other Contracting authority as the United Nations has made known to the Contractor in writing, possesses the authority to agree on behalf of the United Nations to any modification of or change in the Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in the Contract shall be valid and enforceable against the United Nations unless provided by a valid written amendment to the Contract signed by the Contractor and the Chief of the United Nations Procurement Division or such other contracting authority.

19.2 If the Contract shall be extended for additional periods in accordance with the terms and conditions of the Contract, the terms and conditions applicable to any such extended term of the Contract shall be the same terms and conditions as set forth in the Contract, unless the Parties shall have agreed otherwise pursuant to a valid amendment concluded in accordance with Article 19.1, above.



19.3 The terms or conditions of any supplemental undertakings, licenses, or other forms of agreement concerning any goods or services provided under the Contract shall not be valid and enforceable against the United Nations nor in any way shall constitute an agreement by the United Nations thereto unless any such undertakings, licenses or other forms are the subject of a valid amendment concluded in accordance with Article 19.1, above.

20. AUDITS AND INVESTIGATIONS:

20.1 Each invoice paid by the United Nations shall be subject to a post-payment audit by auditors, whether internal or external, of the United Nations or by other authorized and qualified agents of the United Nations at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract. The United Nations shall be entitled to a refund from the Contractor for any amounts shown by such audits to have been paid by the United Nations other than in accordance with the terms and conditions of the Contract.

20.2 The United Nations may conduct investigations relating to any aspect of the Contract or the award thereof, the obligations performed under the Contract, and the operations of the Contractor generally relating to performance of the Contract at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract.

20.3 The Contractor shall provide its full and timely cooperation with any such inspections, post-payment audits or investigations. Such cooperation shall include, but shall not be limited to, the Contractor's obligation to make available its personnel and any relevant documentation for such purposes at reasonable times and on reasonable conditions and to grant to the United Nations access to the Contractor's premises at reasonable times and on reasonable conditions in connection with such access to the Contractor's personnel and relevant documentation. The Contractor shall require its agents, including, but not limited to, the Contractor's attorneys, accountants or other advisers, to reasonably cooperate with any inspections, post-payment audits or investigations carried out by the United Nations hereunder.

21. LIMITATION ON ACTIONS:

21.1 Except with respect to any indemnification obligations in Article 5, above, or as are otherwise set forth in the Contract, any arbitral proceedings in accordance with Article 16.2, above, arising out of the Contract must be commenced within three years after the cause of action has accrued.

21.2 The Parties further acknowledge and agree that, for these purposes, a cause of action shall accrue when the breach actually occurs, or, in the case of latent defects, when the injured Party knew or should have known all of the essential elements of the cause of action, or in the case of a breach of warranty, when tender of delivery is made, except that, if a warranty extends to future performance of the goods or any process or system and the discovery of the breach consequently must await the time when such goods or other process or system is ready to perform in accordance with the requirements of the Contract, the cause of action accrues when such time of future performance actually begins.

22. **ESSENTIAL TERMS:** The Contractor acknowledges and agrees that each of the provisions in Articles 23 to 28 hereof constitutes an essential term of the Contract and that any breach of any of these provisions shall entitle the United Nations to terminate the Contract or any other contract with the United Nations immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

23. **SOURCE OF INSTRUCTIONS:** The Contractor shall neither seek nor accept instructions from any authority external to the United Nations in connection with the performance of its obligations under the Contract. Should any authority external to the United Nations seek to impose any instructions concerning or restrictions on the Contractor's performance under the Contract, the Contractor shall promptly notify the United Nations and provide all reasonable assistance required by the United Nations. The Contractor shall not take any action in respect of the performance of its obligations under the Contract that may adversely affect the interests of the United Nations, and the Contractor shall perform its obligations under the Contract with the fullest regard to the interests of the United Nations.

24. **OFFICIALS NOT TO BENEFIT:** The Contractor warrants that it has not and shall not offer to any representative, official, employee, or other agent of the United Nations any direct or indirect benefit arising from or related to the performance of the Contract or of any other contract with the United Nations or the award thereof or for any other purpose intended to gain an advantage for the Contractor.



25. **OBSERVANCE OF THE LAW:** The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the Contract. In addition, the Contractor shall maintain compliance with all obligations relating to its registration as a qualified vendor of goods or services to the United Nations, as such obligations are set forth in the United Nations vendor registration procedures.
26. **CHILD LABOR:** The Contractor represents and warrants that neither it, its parent entities (if any), nor any of the Contractor's subsidiary or affiliated entities (if any) 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.
27. **MINES:** The Contractor represents and warrants that neither it, its parent entities (if any), nor any of the Contractor's subsidiaries or affiliated entities (if any) is engaged in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.
28. **SEXUAL EXPLOITATION:**
- 28.1 The Contractor 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 Contractor to perform any services under the Contract. 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 Contractor 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.
- 28.2 The United Nations shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract 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 Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

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