

**DRAFT FRAMEWORK SERVICE CONTRACT**

*Multiple Framework Service Contract (in two lots) for the provision of external expertise  
in the field of banking supervision and resolution*

*Maximum 8 separate and individual framework service contracts,  
i.e. 4 contracts per lot in identical terms for the provision of external expertise  
(Expert Panel on Banking Union)*

*(LOT ... )*

*Contract N° IP/A/ECON-BU/FWC/2015-057*

**BETWEEN**

the European Union, represented by the European Parliament,

located at Plateau de Kirchberg, L-2929 Luxembourg,

represented, as regards the signing of this contract,

by Ms. Thérèse LEPOUTRE-DUMOULIN, Director, Directorate-General Internal Policies of the Union, Directorate A: Economic and Scientific Policy, B-1047 Brussels, Rue Wiertz 60, B-1047 Brussels

hereinafter referred to as ‘the European Parliament’,

**of the one part,**

**AND**

..... domiciled at/the registered office of which is located at<sup>1</sup>

.....,

represented by .....,

acting in his/her capacity as .....,

hereinafter referred to as ‘the Contractor’,<sup>2</sup>

**of the other part,**

hereinafter referred to jointly as ‘the parties’,

**HAVE AGREED THE FOLLOWING**

<sup>1</sup> Depending on whether the tenderer is a natural or legal person. Delete as appropriate.

<sup>2</sup> In the case of a consortium of economic operators, all the members of the consortium should be identified as contractors. To do that, the contract will have to reproduce as many times as necessary the wording in which the name, address and representative of the Contractor are mentioned. In addition, the wording “hereinafter referred to as ‘the Contractor’” will need to be replaced by “hereinafter referred to collectively as ‘the Contractor’”. This wording will not be applicable in the case of a consortium established with its own legal personality. In that case, the name of the consortium must be explicitly specified in the contract as being ‘the Contractor’, but the individual economic operators which formed the consortium must be identified explicitly in the clause relating to joint and several liability.

## **Specific Terms and Conditions and General Terms and Conditions**

### **I – SPECIFIC TERMS AND CONDITIONS**

#### **ARTICLE I.1 – SUBJECT OF THE CONTRACT**

1. In accordance with the terms and conditions set out in this contract and in the annexes hereto, which form an integral part hereof, the Contractor undertakes to provide for the European Parliament the following services: external expertise to the Committee on Economic and Monetary Affairs on policy issues in the field of banking supervision and resolution (Lot ...) as detailed in the *Global Terms of Reference* (Annex I).
2. The signing of this contract shall not entail any obligation on the European Parliament to place orders. This contract shall be applied by means of order forms.
3. When an order is placed in accordance with Article I.7 of this contract, the Contractor shall provide the services requested in accordance with the terms and conditions set out in this contract and in the annexes hereto.

#### **ARTICLE I.2 – DURATION**

1. This contract shall enter into force on the date on which it is signed by the last contracting party, and shall run for an initial period of 12 months.
2. The contract shall be renewed tacitly on an annual basis, unless one of the parties objects thereto by registered letter sent at least two months before the expiry of the initial duration or before each annual renewal date. In no circumstances may the duration of the contract exceed four years from the date of its entry into force as specified in paragraph 1. Such renewal shall not entail any modification or deferment of existing obligations.
3. In no circumstances may order forms be signed before the date on which this contract enters into force. In no circumstances may provision of the services begin before the date on which the order form enters into force.
4. The order forms must be signed by the European Parliament before this contract expires. The terms of this contract shall continue to apply to these order forms after it expires, but only for 12 months after the end of the last renewal period.

#### **ARTICLE I.3 – REPORTS AND DOCUMENTS**

The Contractor shall report on the completion of the services in accordance with the provisions of this contract and the annexes hereto.

#### **ARTICLE I.4 – PRICE AND PAYMENT**

1. The price shall be firm as specified in the *Global terms of reference* (Annex I) for the multiple framework service contract IP/A/ECON-BU/FWC/2015–057 and not open to revision for the entire duration of this contract, including all renewal periods.

The price shall be expressed in euros exclusive of value added tax (VAT) and other equivalent taxes. The price shall cover all the costs borne by the Contractor in performance of each order.

2. Payments under the contract shall be made in accordance with this article, and only if the Contractor has fulfilled all his contractual obligations by the date on which his payment request is dispatched. In no case will new payment requests be considered admissible if requests sent previously by the Contractor were not paid by the European Parliament for reasons of partial or total non-performance, incorrect performance or negligence.
3. Every payment request must contain the information specified in Article II.3. of the General Terms and Conditions. More detailed invoicing arrangements may be set out in the Specifications and the annexes thereto.
4. The Contractor shall draw up payment requests as follows: payment of the total amount after approval of the services provided. The European Parliament shall approve, request modifications or reject the services, as specified in the *Global terms of reference* (Annex I) for the multiple framework service contract IP/A/ECON-BU/FWC/2015-057. Approval will take place only if the services are provided in accordance with this Contract and the respective order.

**If the European Parliament does not respond as specified in the *Global terms of reference* (Annex I), the services delivered shall be deemed to have been approved.** Approval of the requested services does not imply recognition either of their compliance or of the authenticity, completeness or accuracy of the statements and information which they contain.

5. The Contractor must send all payment requests or credit notes relating to the performance of this contract to the European Parliament's Official Mail Service, Plateau de Kirchberg, L-2929 Luxembourg, for the attention of DG IPOL/Directorate A, Office SQM 11Y028.

The Contractor must forward payment requests or credit notes to the European Parliament in envelopes, packages or equivalent items, on which the words 'payment request' or 'credit note' shall be clearly visible and identifiable.

Within the text of the payment request or credit note the Contractor shall include the following contact details, corresponding to the European Parliament's department responsible:

Ms. Thérèse LEPOUTRE-DUMOULIN, Director  
DG IPOL, Directorate A,  
Economic Governance Support Unit

To be admissible, payment requests must be accompanied by the relevant invoices.

6. The sums due in respect of performance of this contract shall be payable within 30 calendar days of the date on which the European Parliament's Official Mail Service referred to in the first subparagraph of paragraph 5 receives the payment request. Payments shall be deemed to have been made on the date on which the European Parliament's account is debited.
7. The European Parliament may suspend the payment period at any time following receipt of the payment request by notifying the Contractor that his request cannot be met for the following reasons:
  - a) the amounts referred to in the payment request are not due on the date of its receipt but will certainly be due on a known subsequent date;
  - b) the Contractor has not submitted all the supporting documents required by the law applicable or by this contract, but the European Parliament considers that the Contractor can remedy this omission without the payment request being rejected in accordance with paragraph 8;

- c) the European Parliament deems it necessary to carry out additional checks to verify that the expenditure referred to in the payment request is eligible if information has come to the notice of the authorising officer responsible which puts in doubt the eligibility of expenditure appearing in a payment request.
- d) the Contractor has not complied with the provisions of the second and/or third subparagraphs of paragraph 5.
- e) the Contractor has not joined the communication of the European Parliament on the approval of the interim/final version to his invoice, as mentioned in Article I.4 para 4.

The European Parliament shall notify the Contractor of such a suspension by registered letter with acknowledgement of receipt or by e-mail from the functional mailbox [egov@ep.europa.eu](mailto:egov@ep.europa.eu) with delivery/read receipt or by hand delivery accompanied by the issue of a receipt. Suspension shall take effect on the date indicated in the notification. The payment period shall recommence when the suspension is lifted, which shall take place on the date on which the requested information or revised documents are received or the necessary further verification, including on-the-spot checks, is carried out:

- in respect of a), on the due date of the payment in question, as confirmed by the European Parliament in the notification;
- in respect of b), with effect from the date on which the European Parliament's Official Mail Service referred to in paragraph 5 receives the supporting documents in question, as described in the notification; and
- in respect of c) and e), with effect from the date on which the necessary further verification, including on-the-spot checks, is carried out and thus the information omitted by the Contractor is identified
- in respect of d), on the date on which the European Parliament is able to identify the information omitted by the Contractor and registers the payment request; the Contractor shall be informed of that date in the notification.

Where the suspension period exceeds two months, the contractor may request the contracting authority to justify the continued suspension.

8. Payment requests may be rejected by the European Parliament, which shall notify the Contractor accordingly, for the following reasons:
- a) the payment referred to in the request is not due;
  - b) the payment request is erroneous and must be rectified by means of a credit note; or
  - c) the payment request or the invoice is not accompanied by all the essential supporting documents and information required by this contract or by the law applicable, or the payment request has been drawn up with disregard for the tax rules applicable.

9. On expiry of the payment periods specified in Article I.4.6, and without prejudice to Article I.4.7, the Contractor shall be entitled to receive interest on arrears. The interest shall be calculated in accordance with the rate applied most recently by the European Central Bank to its main refinancing operations ('the reference rate') plus eight percentage points. The reference rate, as published in the C series of the Official Journal of the European Union, in force on the first day of the month in which the payment is due shall apply. The interest shall apply to the period elapsed between the calendar day following the payment deadline and the date of payment.

Where interest on arrears is equal to or less than EUR 200, it shall be paid to the Contractor only on presentation by the Contractor of a request no later than two months after the date of receipt of payment.

10. Payments shall be made in EURO by transfer to the Contractor's bank account, for which the Contractor has provided details in the 'Financial identification form' or, in exceptional

circumstances, an equivalent document accepted by the European Parliament. The financial identification form will be requested from the contractor at the time of conclusion of the contract. Any change to the bank details shall require a new form to be duly completed and submitted.

#### **ARTICLE I.5 – PRICE REVISION**

(not applicable)

#### **ARTICLE I.6 – FINANCIAL GUARANTEES**

(not applicable)

#### **ARTICLE I.7 – PERFORMANCE OF THE CONTRACT**

1. Whenever the European Parliament wishes to purchase the services indicated in the *Global terms of reference* (Annex I), the appropriate department shall notify all Contractors of the relevant lot of the request for commissioning the specific services. To all Contractors, who have accepted the specific service request, the appropriate department shall send, drawn up in accordance with the conditions laid down in the specifications, an order form specifying the terms and conditions governing the service operation, including a detailed description thereof, the price and the time limits for performance. The procedure as specified in section 7 of the *Global terms of reference* (Annex I) shall apply.
2. If the Contractor contacted by the European Parliament informs it of the reasons for his refusal or does not reply within the time limit laid down, the Contractor shall be considered to have waived participation in the specific tendering procedure. However, if the contractor does not accept any offers after three subsequent requests without reasoned justifications, the European Parliament may terminate the contract.
3. The period allowed for performance of the services laid down in each order shall not begin to run until the date on which the order form is signed by the European Parliament, unless that document refers to a different date.
4. The parties may agree to annex more detailed arrangements for the service provision to the order forms issued in the context of this contract, provided they do not contradict the provisions of this contract, its annexes or any other document describing in detail the arrangements for performance of this contract.

#### **ARTICLE I.8 – EVALUATION OF THE CONDITIONS ORIGINALLY LAID DOWN IN THE CONTRACT**

(not applicable)

#### **ARTICLE I.9 – ACCEPTANCE PROCEDURES**

(not applicable)

#### **ARTICLE I.10 – WARRANTY**

(not applicable)

## **ARTICLE I.11 – DELAY, MANIFEST NEGLIGENCE, NON-PERFORMANCE, NON-CONFORMITY AND INCORRECT PERFORMANCE**

1. In the event of delay, negligent performance, complete or partial non-performance, non-conformity with the contractual requirements or incorrect performance of this contract or the order forms, which must be duly motivated by the European Parliament's services, the European Parliament may, by way of sufficient reparation for the loss sustained, deduct damages in the relevant amount from the remaining amount payable to the Contractor supplemented, if applicable, by late-performance interest and the costs that it has borne in connection with that loss.

In case of **complete non-performance**, the amount deducted may reach the total outstanding amount; among others, such a case shall be deemed to happen if the European Parliament rejects the service provided because the service did not conform to the quality standards as contained in section 5.2 of the *Global Terms of Reference* (Annex I) or did not conform to the requirement of the specific request (specific Terms of Reference).

In case of **partial non-performance**, the amount deducted shall be equivalent to the importance of the part not supplied as compared to the entirety of the services to be provided. In case of negligent or incorrect performance or non-conformity with the contractual requirements, a lump-sum of the outstanding amount shall be deducted. Such a case of negligent or incorrect performance or non-conformity with the contractual requirements shall, among others, arise if:

- the paper is not structured coherently or not drafted in a concise, non-technical language and thus not easily readable; in such a case, at least 30% of the outstanding amount shall be deducted;
- cases of plagiarism are not immediately removed at the European Parliament's request; in such a case, at least 50% of the outstanding amount shall be deducted;
- the linguistic proof-reading has not been properly conducted; in such a case, a lump-sum of 20% of the outstanding amount shall be deducted;
- the contractor ignores or does not respond to reasoned requests of the European Parliament to implement changes meant to improve the draft version of the paper and thus more than one formal letter from the Parliament's contracting authority is necessary to achieve a sufficient quality of the paper; in such a case, a lump-sum of 25% of the outstanding amount shall be deducted.
- The layout template/requirements as specified in section 5.2 of the *Global terms of reference* (Annex I) is not followed as regards formatting of the draft papers and final version, a lump-sum of 10 % of the outstanding amount shall be deducted.

If several of these cases apply, the different deductions will apply cumulatively.

If the amounts deducted prove insufficient to compensate adequately for the loss sustained, the European Parliament may take any other action in addition to that deduction. Without prejudice to any proceedings initiated by the Contractor, the European Parliament shall determine the amount of damages, late-performance interest and costs with a view to the deduction thereof and/or subsequent claims following notification to the Contractor by registered letter with acknowledgement of receipt of the failure to comply with the contract.

2. Without prejudice to paragraph 1, the European Parliament may apply a penalty per calendar day's delay, from the date on which the Contractor is notified of the delay by email from the functional mailbox [egov@ep.europa.eu](mailto:egov@ep.europa.eu) with delivery/read receipt. The penalty will be calculated according to the following formula:

penalty = percentage to be deducted from the value of outstanding amounts:

$$50\% \times \frac{\text{calendar days' delay}}{\text{number of calendar days initially foreseen}}$$

The number of calendar days initially foreseen for the interim/draft/final version of the product is to be calculated from the signature of the order form by the European Parliament until the respective deadlines as set out in specific terms of reference for each individual service request.

The European Parliament notifies the Contractor of the total days of delay and the penalty calculated according to Article 1.11 paragraph 3 below by email from the functional mailbox [egov@ep.europa.eu](mailto:egov@ep.europa.eu) with delivery/read receipt, asking the Contractor to deduct the relevant amount from the following invoice. If the Contractor refuses to do so, such penalties may be deducted from amounts still to be paid. The maximum penalty shall be limited to the value of outstanding orders.

3. Should the European Parliament's relevant department be unable to accept the services for reasons attributable to the Contractor, or in the event of partial acceptance, paragraphs 1 and 2 shall also apply in respect of the services which have not been accepted.
4. In the circumstances referred to in paragraph 1 and without prejudice to any administrative and financial penalties imposed by the European Parliament in accordance with Article II.17 of the General Terms and Conditions, the European Parliament may, if notice has been served on the Contractor by registered letter with acknowledgement of receipt and no action, or inadequate action, has been taken in response within 15 calendar days of its dispatch, terminate the contract with immediate effect by notification by registered letter with acknowledgement of receipt, without compensating the Contractor. It may also require performance by substitution under the terms provided for in Article II.15 (5) c) of the General Terms and Conditions.

#### **ARTICLE I.12 – LAW APPLICABLE, GENERAL TERMS AND CONDITIONS AND ADVERTISING OF THE CONTRACT**

1. European Union law complemented by Belgian law shall apply to this contract.
2. The Contractor hereby waives his/her own contractual terms and conditions. He/She declares that he/she is familiar with and accepts the General Terms and Conditions which form a part of this contract.  
The Contractor also declares that he/she accepts that certain information relating to this contract, namely his/her name or company name and the subject and value of the contract awarded, should be published as required by Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the Financial Rules applicable to the general budget of the European Union, (hereafter "Regulation (EU, Euratom) No 966/2012")
3. Any document supplied by the Contractor in connection with the submission of his/her tender shall become the property of the European Parliament and may be made accessible to the public subject to the restrictions and in accordance with the procedures laid down in Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents, without prejudice to the advertising measures required by Articles 123 and 124 of the Delegated Regulation (EU, Euratom) No 1268/2012 of the Commission of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012.

#### **ARTICLE I.13 – JURISDICTION**

Any dispute between the European Parliament and the Contractor relating to this contract which cannot be resolved by amicable settlement shall be submitted to the General Court of the Court of Justice of the European Union, pursuant to Article 256(1) of the Treaty on the Functioning of the European Union.

#### **ARTICLE I.14 – DATA PROTECTION**

1. Any personal data generated in connection with the performance of this contract shall be processed pursuant to Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Such data may be processed only for the purposes of the performance, management and monitoring of the contract by the European Parliament, without prejudice to the possible communication thereof to the bodies responsible for carrying out checks or inspections pursuant to European Union law. The Contractor shall have the right of access to his personal data and the right to rectify such data. Should the Contractor have any queries concerning the processing of his personal data, he shall address them to Ms Thérèse Lepoutre-Dumoulin, Director, Directorate A of DG IPOL. The Contractor shall have the right of recourse at any time to the European Data Protection Supervisor.
2. Where this contract involves the processing of personal data by the Contractor on behalf of the European Parliament, the Contractor may act only on the instructions of the European Parliament, in particular as regards the purposes of the processing, the categories of data that may be processed, the recipients of the data and the means by which persons concerned may exercise their rights.
3. All personal data processed by the Contractor in the context of performance of this contract shall be confidential. The Contractor shall restrict access to the data to the staff strictly necessary for performance, management and monitoring of the contract.
4. The Contractor undertakes to adopt the appropriate technical and organisational security measures with regard to the risks inherent in the processing and nature of the personal data concerned. In the case of automated processing, the Contractor shall, in particular, adopt measures with a view to:
  - a) preventing any unauthorised person from gaining access to the computer systems on which the personal data is processed;
  - b) preventing any unauthorised reading, copying, alteration or removal of storage media;
  - c) preventing any unauthorised memory inputs as well as any unauthorised disclosure, alteration or erasure of stored personal data;
  - d) preventing unauthorised persons from using data-processing systems by means of data transmission facilities;
  - e) ensuring that authorised users of a data-processing system can access no personal data other than those to which their access right refers;
  - f) recording which personal data have been communicated, at what times and to whom;
  - g) ensuring that it will be subsequently possible to check which personal data have been processed, at what times and by whom;
  - h) ensuring that personal data being processed on behalf of the European Parliament can be processed only in the manner which the European Parliament intends;
  - i) ensuring that, during the communication of personal data and the transport of storage media, the data cannot be read, copied or erased without authorisation;
  - j) designing his organisational structure in such a way that it will meet the special requirements of data protection.
5. Paragraph 4 shall apply without prejudice to the Contractor's obligations resulting from the applicable national regulations transposing Directive 95/46/EC of the European Parliament and

of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

6. The European Parliament reserves the right to verify the Contractor's implementation of, and compliance with, the measures referred to in paragraph 4. The Contractor undertakes to provide the European Parliament with any information which it may require in this regard.

### **ARTICLE I.15 – JOINT AND SEVERAL LIABILITY OF THE CONTRACTOR<sup>3</sup>**

1. The parties identified in this contract as 'the Contractor' shall be jointly and severally liable vis-à-vis the European Parliament in respect of the performance of this contract.<sup>4</sup>
2. (*Indicate the name of the lead Contractor*) shall be designated the lead Contractor. Without prejudice to paragraph 1, in respect of the performance of this contract, the lead Contractor shall act in the name of (*indicate the names of the other contracting parties*). All communications between the European Parliament and the Contractor shall be made through the lead Contractor. The lead Contractor is empowered to sign on behalf of all parties. Payments shall also be made by the European Parliament to the account of the lead Contractor.<sup>5</sup>

### **ARTICLE I.16 – GENERAL ADMINISTRATIVE PROVISIONS**

All communications relating to the contract shall be in writing and shall indicate the contract reference number. Ordinary mail shall be deemed to have been received by the European Parliament on the date on which it is registered by the department responsible indicated below. An email shall be considered to have been received by the European Parliament on the date on which it is opened. Communications (with the exception of the payment requests and credit notes referred to in Article I.4.5) shall be sent to the following addresses:

For the European Parliament:

European Parliament  
Directorate-General IPOL Internal Policies of the Union  
Directorate A - Economic and Scientific Policy  
Economic Governance Support Unit  
For the attention of Ms. Thérèse Lepoutre-Dumoulin, Director  
SQM 11Y028  
Rue Wiertz 60  
B-1047 Brussels  
Email: [egov@ep.europa.eu](mailto:egov@ep.europa.eu)

For the Contractor:

Mr/Ms (*complete*)  
(*insert position*)  
(*insert company name*)

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<sup>3</sup> To be deleted if no consortium is defined as "the contractor" at the beginning

<sup>4</sup> In the case of a consortium with its own legal personality, paragraph 1 should be replaced by the following: 'Parties forming the consortium of operators and assuming the role of Contractor shall be jointly and severally liable vis-à-vis the European Parliament in respect of the performance of this contract'. Paragraph 2 can be deleted.

<sup>5</sup> The current wording of this article should be retained in the model contract to be supplied together with the invitation to submit a tender. However, depending on the results of the invitation to tender, other forms of consortiums of economic operators may emerge (with a designated lead tenderer but with the consortium itself having its own bank account, a 'genuine' consortium with its own legal personality and bank account, etc). Consequently, this clause will need to be adapted subsequently, once the result of the invitation to tender is known. In any case, the members of the consortium, whether or not it has its own legal personality, will always be required to assume joint and several liability vis-à-vis the European Parliament.

*[insert full official address]*  
*email address*

## **ARTICLE I.17 – FINAL PROVISIONS AND ANNEXES**

1. The following documents are annexed to this contract and form an integral part hereof:

Annex I: Global Terms of Reference

Annex II: Administrative offer *(to be submitted by the tenderer)*

Annex III: Technical offer *(to be submitted by the tenderer)*

Annex IV: Template order form for specific contracts

Annex V: Template of general drafting and layout rules

Annex VI: EMAS Environmental Policy

2. The provisions of the Specific Terms and Conditions, the General Terms and Conditions and the annexes shall apply at all times. However, in the event of contradictions between these different documents, the provisions of the Specific Terms and Conditions shall prevail over those of the other parts of the contract. The provisions laid down in the General Terms and Conditions shall take precedence over those in the annexes. The annexes shall take precedence over each other in the order in which they are numbered.

3. Subject to the above, the various documents making up the contract are to be taken as mutually explanatory. Any ambiguity or divergence within the same part or between different parts shall be explained and corrected by written instruction from the European Parliament.

## **II – GENERAL TERMS AND CONDITIONS**

### **ARTICLE II.1 – GENERAL TERMS AND CONDITIONS RELATING TO PERFORMANCE OF THE CONTRACT**

1. Unless specifically provided otherwise, the time limits for performance laid down in the contract, the specific contracts or the order forms shall run from the date on which they enter into force. They shall be extended in cases of *force majeure*. In such cases the parties shall agree new time limits in writing.
2. The Contractor shall perform the contract in good faith and to the highest professional standards. The Contractor shall have sole responsibility for complying with any legal obligations incumbent on him, notably those resulting from employment, tax, social and environmental protection legislation.
3. The Contractor shall have sole responsibility for taking the necessary steps to obtain any permit or licence required for performance of the contract under the laws and regulations in force at the place where the tasks assigned to him are to be carried out. The European Parliament may terminate the contract without notice if the Contractor is unable, through his own fault, to obtain any of the permits or licences required for performance of the contract.
4. The Contractor shall take out the insurance policies against risks and damage relating to performance of the contract which are required by the relevant legislation, including third-party liability insurance. He shall take out the additional policies which are customary in his field of activity. In addition, he shall take out professional insurance to cover the risks associated with non-conformity in the performance of the contract. A copy of all the insurance policies concerned shall be forwarded to the European Parliament, should it so request, within 15 calendar days of such a request being dispatched in writing.
5. Any reference made to the Contractor's staff in the contract shall relate exclusively to individuals involved in performing the contract.
6. The Contractor shall ensure that any person acting on his behalf or any member of his staff involved in performing the contract has the professional qualifications and experience required for the performance of the tasks assigned to the Contractor in accordance with the criteria laid down in the tender documents, including the specifications.
7. In the event of any incident connected with an act or omission by a member of the Contractor's staff working on the European Parliament's premises, or in the event of the qualifications and/or experience of a member of the Contractor's staff failing to comply with the profile required under the contract, the Contractor shall replace that person immediately. The European Parliament shall be entitled to have the member of staff in question replaced, stating its reasons. Replacement staff must have the necessary qualifications and experience in accordance with the terms of the invitation to tender and be capable of performing the contract under the same contractual conditions. The Contractor shall be responsible for any delay in the performance of the tasks assigned to him resulting from the replacement of staff in accordance with this article.
8. The Contractor shall have sole responsibility for the staff who perform the tasks assigned to him. The Contractor must be able to prove to the European Parliament at any time that his staff are employed in compliance with the applicable rules.
9. The Contractor shall take all appropriate measures (insurance and other measures) to cover his staff against all risks to which they may be exposed during performance of the contract.
10. The contract shall be performed in such a way as to rule out the Contractor or his staff being in a position identical to that of persons employed by the European Parliament. In particular:

- the staff performing the tasks assigned to the Contractor may not receive any direct orders from the European Parliament, and neither the Contractor nor his staff may be integrated into the European Parliament's administrative organisation;
  - in no circumstances may the European Parliament be considered the employer of the Contractor's staff.
11. Should any unforeseen event, act or omission directly or indirectly hamper the performance of the contract, either in part or in full, the Contractor shall immediately and on his own initiative record it and report it to the European Parliament. The report shall include a description of the problem, an indication of the date on which it arose and details of the steps taken by the Contractor to comply with all his contractual obligations. In such an event the Contractor shall give priority to solving the problem rather than to determining who is responsible.
  12. If the Contractor fails to fulfil his contractual obligations in accordance with the provisions of the contract, the European Parliament may, without prejudice to its right to terminate the contract, reduce its payments, or recover them, in proportion to the non-performance ascertained. The European Parliament may also apply penalties or damages as provided for in Article I.11 of the Specific Terms and Conditions and Article II.17 of the General Terms and Conditions.
  13. The Contractor undertakes to provide the European Parliament with any information it may request for the purpose of managing the contract.
  14. The Contractor and his staff may neither represent the European Parliament nor behave in any way which would give such an impression. They shall be required to inform third parties that they are not members of the European Union civil service.
  15. The Contractor undertakes to transfer to the European Parliament, when the contract expires, all the information and documents in his possession concerning the tasks assigned to him for the performance of the contract.

## **ARTICLE II.2 – LIABILITY**

1. Other than in cases of wilful misconduct or serious negligence on its part, the European Parliament may not be held liable for damage sustained by the Contractor or his staff while performing the tasks which are the subject of the contract. The European Parliament shall not accept any claim for compensation or repairs in respect of any such damage.
2. Other than in cases of *force majeure*, the Contractor shall be liable for any loss, direct or consequential damage to property and personal injury which he or any person acting on his behalf or any member of his staff causes to the European Parliament or to third parties during performance of the contract, including in connection with the subcontracting provided for in Article II.6. He shall also be liable for quality defects and delays in performance of the contract. The European Parliament may not be held liable for any act or omission on the part of the Contractor during performance of the contract.
3. The Contractor shall assume liability for any compensation in the event of an action, claim or proceedings brought against the European Parliament by a third party following any damage caused by the Contractor during performance of the contract.
4. Should an action be brought by a third party against the European Parliament in connection with performance of the contract, the Contractor shall assist the European Parliament. Expenditure incurred by the Contractor as a result may be defrayed by the European Parliament.

5. Without prejudice to the provisions relating to acceptance and warranty, the Contractor shall be required to compensate the European Parliament for any loss and direct or consequential damage resulting from non-performance, defective performance or late performance of the contract.

### **ARTICLE II.3 – INVOICING**

1. The Contractor undertakes to draw up invoices in accordance with the contractual provisions covering one or more order forms or specific contracts.
2. Each invoice must include the following information, without fail: the order form and/or specific contract reference and/or date, a description of the services provided, the prices in euros<sup>6</sup>, and the Contractor's bank details, including IBAN and BIC codes, and his VAT number. Invoices shall be marked '*For the official use of the European Parliament*'. The invoice may also mention the final recipient separately.
3. Invoices shall be sent to the European Parliament's Official Mail Service, Plateau de Kirchberg, L-2929 Luxembourg.
4. Without prejudice to his entitlement to any interest on arrears, the Contractor shall accept any financial constraints arising from the system of provisional twelfths, in accordance with Article 16 of Regulation (EU, Euratom) No 966/2012, should the general budget of the European Union not have been adopted at the beginning of the financial year.

### **ARTICLE II.4 – TAXATION**

1. The Contractor shall be solely responsible for compliance with the tax laws which apply to him. Any failure to do so shall invalidate the payment requests submitted.
2. The Contractor recognises that the European Parliament, as a European Union institution, is exempt from all duties and indirect taxes, in particular VAT, pursuant to Article 3 of the Protocol on the privileges and immunities of the European Union. That exemption is granted to the European Parliament by the governments of the Member States, either in the form of *a posteriori* reimbursement on the basis of supporting documents, or in the form of direct exemption.
3. If the Contractor is required to apply VAT to the payments received under this contract, by virtue of the applicable tax legislation, the European Parliament shall pay to the Contractor, in addition to the price specified in Article I.4 of the Specific Terms and Conditions, the amount of VAT applied and shall subsequently request reimbursement thereof from the competent national authorities. To that end, the Contractor must submit to the European Parliament an invoice complying with the applicable legislation concerning VAT and indicating his place of taxation for VAT purposes. The invoice must show clearly that the services are intended for the European Parliament and must indicate separately the amount payable for the services and related supplies excluding VAT and the amount of VAT due.
4. For Contractors established in Belgium, order forms and specific contracts shall include the following: '*En Belgique la présentation de ce bon de commande vaut présentation d'une demande d'exonération de la TVA n° 450, article 42, paragraphe 3.3 du Code de la TVA (circulaire 1978)*' or the equivalent in Dutch or German. The Contractor's invoices must state the following: '*Invoice exonerated from VAT, article 42, paragraph 3.3 of the VAT code*' or the equivalent in Dutch or German.

### **ARTICLE II.5 – RECOVERY**

<sup>6</sup> Another currency could be indicated if the invitation to tender provides for tenders to be submitted in a currency other than the euro.

1. If the total payments made exceed the amount actually due under the specific contract or order form or if recovery is justified pursuant to the contract, the Contractor shall reimburse the corresponding amount in euros upon receipt of the debit note, in accordance with the procedures and within the time limits laid down by the European Parliament.
2. In the event of failure to pay within the time limit specified in the debit note, the sum due shall bear interest on arrears at the rate indicated in Article I.4 of the Specific Terms and Conditions. Interest shall be payable with effect from the calendar day following the date on which payment is due until the calendar day on which the claim is repaid in full.
3. The European Parliament may, after informing the Contractor, recover amounts established as certain, of a fixed amount and due by offsetting, in cases where the Contractor also has a claim against the European Union which is certain, of a fixed amount and due. The European Parliament may also claim against the guarantee, where provided for.

#### **ARTICLE II.6 – SUBCONTRACTING**

1. (Not applicable)

#### **ARTICLE II.7 – ASSIGNMENT**

1. The Contractor shall not assign the rights and obligations arising from the contract, in whole or in part, without the prior written authorisation of the European Parliament.
2. The Contractor shall be required to include in any contracts concluded with assignees provisions enabling the European Parliament to enjoy the same rights and guarantees in relation to those assignees as in relation to the Contractor himself.
3. In the absence of the authorisation referred to in paragraph 1 above, or in the event of failure to observe the terms thereof, assignment by the Contractor shall not be enforceable against, and shall have no effect on, the European Parliament.

#### **ARTICLE II.8 – CONFLICTS OF INTEREST**

1. The Contractor shall take all the requisite measures to prevent any situation arising which could compromise the impartial and objective performance of the contract. A conflict of interest may arise in particular as a result of economic interests, political or national affinities, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interest arising during performance of the contract must be reported immediately to the European Parliament in writing. In the event of such a conflict, the Contractor shall immediately take all the requisite measures to resolve it.
2. The European Parliament reserves the right to verify that such measures are appropriate and to require additional measures to be taken if necessary, within a time limit that it shall stipulate.
3. The Contractor shall ensure that his staff, board and directors are not placed in a situation which could give rise to a conflict of interest. The Contractor shall replace, immediately and without requiring any compensation from the European Parliament, any member of his staff exposed to such a situation.
4. The Contractor hereby declares:

- that he has not made and will not make any offer of any type whatsoever from which an advantage could be derived under the contract;
  - that he has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to performance of the contract.
5. The Contractor shall pass on in writing all the obligations arising from this article to his staff, board and directors as well as to third parties involved in performance of the contract. A copy of the instructions given and the undertakings made in this respect shall be sent to the European Parliament should it so request.

**ARTICLE II.9 – INTELLECTUAL OR INDUSTRIAL PROPERTY RIGHTS BELONGING TO A THIRD PARTY**

1. Any results, works or rights thereto, including copyright and other intellectual or industrial property rights, obtained in performance of the contract shall belong exclusively to the European Parliament, which may use or assign them as it sees fit, without geographical or other limitation, except where rights exist prior to the conclusion of the contract. After formal acceptance, and subject to specific provisions in the specifications, the European Parliament shall become the owner of results, works or rights thereto. In the absence of formal acceptance, ownership shall be transferred at the latest by the date on which the last payment request is issued by the Contractor. The transfer of ownership of assigned rights and the various methods of exploiting those rights shall either be free or for payment, depending on the specific provisions in the specifications. Subject to paragraph 2, the Contractor hereby warrants that he is entitled to assign copyright and other intellectual or industrial property rights in respect of the said results or works. In no circumstances may the Contractor exploit (assign, reproduce, communicate, publish, adapt or use in any way) the rights assigned pursuant to this paragraph unless the European Parliament has given prior authorisation in writing.
2. Where performance of the contract entails the use of an intellectual or industrial property right belonging to a third party, the Contractor hereby warrants that he has obtained authorisation from the holder or holders of the said rights or from his or their legal representatives to use those rights for the purposes of this contract. In such cases the Contractor must also inform the European Parliament of any obligation or restriction arising from copyright or another intellectual or industrial property right belonging to a third party. Any fee for which the Contractor may be liable for such authorisation shall be paid by him.
3. Where non-pecuniary rights exist in respect of the work assigned, the Contractor shall inform the European Parliament of the holder of the said rights.
4. The European Parliament shall not be required to publish manuscripts or documents supplied in performance of the contract. If it decides not to publish the manuscripts or documents thus supplied, the Contractor may have them published elsewhere only with the European Parliament's authorisation in writing.
5. Should performance of the contract involve the use of an intellectual or industrial property right belonging to a third party and should proceedings for breach of such a right be brought against the European Parliament, the Contractor shall take all the requisite measures to support the European Parliament in those proceedings and shall bear all the costs of any kind and any damages awarded against the European Parliament.
6. The measures provided for in paragraph 5 shall not apply in cases where:

- the European Parliament requires the use of an intellectual or industrial property right belonging to a third party;
  - contrary to an express provision included in the contract, the European Parliament assigns all or any of the services to a purpose other than that provided for in the specifications and the annexes thereto;
  - the European Parliament refuses to agree to a replacement or modification proposed by the Contractor in order to avoid infringement, even though the replacement or modified service would comply with the technical requirements laid down in the specifications and the annexes thereto.
7. In the cases referred to in paragraph 6, the European Parliament shall be responsible for obtaining the necessary licences and for the payment of royalties or indemnities, procedural costs of all kinds and compensation to the Contractor for any damage sustained by him.
  8. The European Parliament and the Contractor shall notify each other of any information which leads them to believe that an intellectual or industrial property right might impede performance of the contract. At the first indication of any action by a third party, in particular the lodging of a claim, even after performance of the contract, the party implicated shall notify the other party without delay, whereupon both parties shall act by mutual agreement and shall exchange all information and evidence which they may possess or obtain.
  9. The fact that the subject of the contract or any part thereof is protected by an intellectual or industrial property right owned by the Contractor or in respect of which he holds a licence shall not prevent the European Parliament from repairing it or from having it repaired by a person of its choosing, assuming liability for any claims arising from the rights of third parties, save where the Contractor himself possesses an intellectual or industrial property right in respect of the repair process and, after having been consulted first, offers to effect the repairs within a reasonable time and at a reasonable price.

#### **ARTICLE II.10 – CONFIDENTIALITY AND DISCRETION**

1. Save where prior authorisation in writing has been obtained from the European Parliament, the Contractor shall be required not to disclose to any unauthorised person any facts, information, knowledge, documents or other matters which the European Parliament may have communicated to him as confidential. The Contractor shall continue to be bound by this undertaking after completion of the tasks. This obligation shall continue to apply in respect of each such item of information until it has been lawfully disclosed.
2. The Contractor shall require any agents, employees, partners, subcontractors and assignees he may have to maintain confidentiality.
3. The Contractor undertakes, in respect of himself and his staff, not to make use of, for purposes other than performance of the contract, and not to disclose to third parties any facts, information, knowledge, documents or other matters communicated to him or brought to his attention in connection with performance of the contract, or any results arising from his services, without the prior written authorisation of the European Parliament. These obligations shall continue to apply following performance of this contract.
4. This article shall be without prejudice to any obligations incumbent on the Contractor arising from the rules applicable or from those laid down by the relevant courts or other authorities.

#### **ARTICLE II.11 – BAN ON USING THE EUROPEAN PARLIAMENT’S IMAGE**

1. The Contractor may not use photographs of the exterior or interior of the European Parliament's buildings for advertising or commercial purposes without the European Parliament's prior authorisation in writing.
2. The European Parliament's authorisation referred to in paragraph 1 may be subject to specific conditions and limited to a fixed period.

#### **ARTICLE II.12 – USE, DISTRIBUTION AND PUBLICATION OF INFORMATION**

1. The Contractor shall authorise the European Parliament to process, use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, any data contained in or relating to the contract, in particular the identity of the Contractor, the subject and duration of the contract, the amount paid and the reports. In the case of personal data, the relevant provisions of the Specific Terms and Conditions shall apply.
2. Any distribution or publication by the Contractor of information relating to the contract shall require the European Parliament's prior authorisation in writing. For the purposes of that authorisation the European Parliament may require the Contractor to mention the amount paid by the European Union, or may make the authorisation subject to other conditions. The information published or distributed shall in any case state that the opinions expressed are those of the Contractor only and do not represent the European Parliament's official position.
3. The use of information obtained by the Contractor in connection with the contract for purposes other than its performance shall be prohibited, unless the European Parliament has expressly granted prior authorisation in writing.

#### **ARTICLE II.13 – MATERIALS, COMPONENTS, APPLIANCES, DESIGNS, SAMPLES, SUPPLIES, MODELS, TEMPLATES, GAUGES AND SOFTWARE BELONGING TO THE EUROPEAN PARLIAMENT AND HELD BY THE CONTRACTOR**

1. The Contractor shall be liable in the event of loss of or damage to any materials, components, appliances, designs, samples, supplies, models, templates, gauges and software belonging to the European Parliament which he holds with a view to performance of the contract, whether delivered to him for that purpose or purchased by him on behalf of the European Parliament.
2. Compensation for the loss or damage referred to in paragraph 1 shall be effected, at the European Parliament's choice after consulting the Contractor, either in kind (replacement or repair) or by payment of a sum equivalent to the replacement cost on the date of the loss or damage, plus any duties or indirect taxes which might be applied to that amount by the national authorities.
3. Where the items referred to in paragraph 1 are subject to depreciation, only their residual value shall be taken into account.

#### **ARTICLE II.14 – *FORCE MAJEURE***

1. *Force majeure* shall mean any unforeseeable and exceptional situation or event beyond the control of the parties, preventing either of them from performing any of their obligations under the contract, which was not due to error or negligence on their part, and which could not have been avoided by the exercise of due diligence. Defects in equipment or materials or delays in making them available, labour disputes, strikes, non-performance by a subcontractor or financial problems may not be invoked as *force majeure* unless they stem directly from an established case of *force majeure*.

2. If either of the parties is faced with a case of *force majeure*, it shall notify the other party without delay by registered letter with acknowledgement of receipt or by an equivalent method, stating the nature, likely duration and foreseeable effects.
3. Neither party shall be held in breach of its contractual obligations if it has been prevented from performing those obligations by a case of *force majeure*. If, as a result of *force majeure*, the Contractor is unable to perform the tasks which have been assigned to him, he shall not be entitled to payment or compensation. If the contract has been partially performed he shall receive payment in the appropriate amount. These provisions shall not affect the Contractor's entitlement to reimbursement of his travel and subsistence expenses and of the costs of shipment of equipment that he has incurred in performance of the contract.
4. The parties shall take all the requisite measures to minimise any losses that they may incur.

#### **ARTICLE II.15 – TERMINATION BY THE EUROPEAN PARLIAMENT**

1. **The European Parliament may terminate this contract as of right, either in full or in part, without recourse to legal proceedings and without compensation, by registered letter with acknowledgement of receipt, in the following cases:**
  - a) if the Contractor is bankrupt or being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
  - b) if the Contractor, or a person having powers of representation, decision making or control over them, has been convicted of an offence concerning his professional conduct by a judgment which has the force of *res judicata*;
  - c) if the Contractor has been guilty of grave professional misconduct proven by any means which the contracting authorities referred to in Regulation (EU, Euratom) No 966/2012 can justify;
  - d) if the Contractor, or a person having powers of representation, decision making or control over them, has not fulfilled his obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which he is established or with those of the country whose law applies to the contract or those of the country where the contract is to be performed;
  - e) if the Contractor or persons having powers of representation, decision making or control over him/her is the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the financial interests of the European Communities or the European Union;
  - f) if the Contractor has been guilty of misrepresentation in supplying the information required by the European Parliament as a condition of participation in the procurement procedure or has failed to supply this information;
  - g) if the European Parliament considers that a change in the Contractor's legal, financial, technical or organisational situation could have a material effect on performance of the contract;
  - h) if the Contractor is unable, through his own fault, to obtain any permit or licence required for performance of the contract;

- i) if notice, specifying the nature of the breach of contractual obligations, in which the European Parliament states that performance is not in compliance with the provisions of the contract, the specifications and all the annexes thereto or the Contractor's tender, has been served on the Contractor by registered letter with acknowledgement of receipt and no action, or inadequate action, has been taken in response within 15 calendar days of its dispatch;
  - j) if the Contractor is subject to an administrative penalty under Article 109(1) of Regulation (EU, Euratom) No 966/2012;
  - k) if, after the contract has been awarded, the procurement procedure or performance of the contract is found to be subject to material errors, irregularities or fraud. If these errors, irregularities or fraud are attributable to the Contractor, the European Parliament may, furthermore, refuse to make payment, recover the sums already paid or terminate all contracts concluded with the Contractor in question, in proportion to the seriousness of the errors, irregularities or fraud;
  - l) if the contract is in an area of activity subject to rapid changes in prices and technology and at the end of a mid-term review carried out by the European Parliament the terms and conditions originally laid down no longer reflect current prices or technology;
  - m) if the Contractor is subject to a conflict of interest and does not resolve it;
  - n) where a breach is ascertained in accordance with Article II.19.3 or Article II.20.3.
2. **In the event of *force majeure* notified in accordance with Article II.14, either party may terminate the contract, specific contract(s) or order form(s) in force if they cannot be performed for a period corresponding to at least one-fifth of the period indicated in the Specific Terms and Conditions or in the specific contract or order form.**
  3. **Prior to any termination of the contract under paragraph 1, point (i), the Contractor shall have the opportunity to present his observations within a period not exceeding 15 calendar days with effect from the date of dispatch of the notice by registered letter with acknowledgement of receipt.**
  4. Termination shall take effect on the date of receipt of the registered letter with acknowledgement of receipt terminating the contract, or on any other date referred to in the letter of termination.
  5. Consequences of termination:
    - a) **Should the European Parliament terminate the contract in accordance with this article, and subject to the other provisions of the contract, the Contractor shall waive any claim for direct or consequential damages, including any loss of expected profits as a consequence of uncompleted services. On receipt of the letter terminating the contract, specific contract or order form in force, the Contractor shall take all the requisite measures to minimise costs, prevent damage and cancel or reduce his commitments. He shall draw up the documents required by the Specific Terms and Conditions for the tasks performed up to the date on which termination takes effect, within a period not exceeding 60 calendar days from that date.**
    - b) The European Parliament may demand compensation for any loss or direct or consequential damage caused and may recover any sums paid to the Contractor in connection with the contract.
    - c) Following termination, the European Parliament may have the contract performed by substitution, and may commission any other contractor to complete the services. The European Parliament shall have the right to insist on the contract being performed by substitution,

following written notification to the Contractor, even if it does not terminate the contract, in order to guarantee the proper performance of the services provided for in the contract. In that case, without prejudice to any other rights or guarantees stipulated in this contract in the European Parliament's favour, it shall be entitled to claim from the Contractor reimbursement of any additional costs occasioned by the completion of those services.

#### **ARTICLE II.16 – DISPUTES, EXPERT REPORTS**

1. In the event of a dispute requiring verification of the facts or technical examination, the party raising the issue may obtain an expert's report before taking legal action. To that end, the party raising the issue shall inform the other party in writing of the subject of the dispute and shall propose an expert.
2. The other party shall indicate within 15 calendar days whether or not it accepts the proposed expert and, if it does not, shall make a counter-proposal, which must be replied to within 15 calendar days. Such correspondence shall be conducted by registered letter with acknowledgement of receipt.
3. If the two parties fail to reach agreement the party raising the issue shall submit the dispute to the competent court pursuant to Article I.13 and shall ask it, if need be, to appoint an expert.

#### **ARTICLE II.17 – ADMINISTRATIVES AND FINANCIAL PENALTIES**

1. The European Parliament may impose administrative or financial penalties on the following:
  - a) a Contractor who has been guilty of misrepresentation in supplying the information required by the European Parliament as a condition of participation in the procurement procedure or has failed to supply this information;
  - b) a Contractor who has been declared to be in serious breach of his contractual obligations.

In all cases, however, the European Parliament must first give the Contractor an opportunity to present his observations.

2. Administrative and financial penalties shall be proportionate to the size of the contract and the seriousness of the misconduct, and may consist of:
  - a) the exclusion of the Contractor from contracts and grants financed by the budget of the European Union, for a maximum period of 10 years; and/or
  - b) the payment of financial penalties by the Contractor up to the value of the contract in question.

#### **ARTICLE II.18 – CHECKS AND AUDITS**

1. Pursuant to Article 161 of Regulation (EU, Euratom) No 966/2012, the European Court of Auditors is empowered to audit the documents held by natural or legal persons receiving payments from the budget of the European Union, from the signing of the contract up to five years after the date of payment of the balance.
2. The European Parliament or an outside body of its choice shall have the same rights as the European Court of Auditors in respect of inspections and checks on compliance with contractual provisions, from the signing of the contract up to five years after the date of payment of the balance.

3. In addition, the European Anti-Fraud Office may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities, and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF), from the signing of the contract up to five years after the date of payment of the balance.
4. In accordance with Regulation (EC) No 45/2001 of the European Parliament and the Council and Article 29 Commission Delegated Regulation (EU) No 1268/2012, for the purposes of safeguarding of the Union, the personal data referred to in Article I.14 may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office.

#### **ARTICLE II.19 – ENVIRONMENTAL PROVISIONS**

1. In performance of this contract the Contractor undertakes to comply with the environmental aspects hereof and with any other comparable conditions laid down in the specifications and detailed, where appropriate, in the Contractor's tender.
2. The European Parliament reserves the right to carry out itself any inspections and checks on the Contractor which are necessary to ensure compliance with the environmental requirements laid down. Such inspections and checks may be carried out in part or in full by an external body duly authorised by the European Parliament.
3. Any failure on the Contractor's part to comply with the environmental obligations laid down or any refusal to allow inspection by the European Parliament or a duly authorised body shall entitle the European Parliament to terminate this contract.

#### **ARTICLE II.20 – SOCIAL PROVISIONS**

1. In performance of this contract the Contractor undertakes to comply with the legal obligations concerning the protection of employees and working conditions in force in accordance with applicable laws.
2. The European Parliament reserves the right to carry out itself any inspections and checks on the Contractor which are necessary to ensure compliance with the social and equal opportunities provisions applicable. Such inspections and checks may be carried out in part or in full by an external body duly authorised by the European Parliament.
3. Any failure on the Contractor's part to comply with the obligations laid down or any refusal to allow inspection by the European Parliament or a duly authorised body shall entitle the European Parliament to terminate this contract.

#### **ARTICLE II.21 – MODIFICATION OF THE CONTRACT**

1. Any modification of this contract and its annexes, including additions or deletions, shall require a supplementary agreement in writing, concluded on the same terms as the contract. No agreement in oral form may bind the parties to that effect.
2. Should a court with jurisdiction rule that a provision of this contract is invalid or unenforceable, the other provisions of the contract shall remain applicable, and the parties undertake to replace the invalid or unenforceable provision by another provision having an economic effect as similar as possible to that of the provision in question.

3. Should the European Parliament refrain from exercising or ensuring the application of its rights arising from any provision of this contract, or fail to exercise them or ensure the application thereof, this shall not constitute the waiver by the European Parliament of any provision of this contract.

Done in two originals.

<b><i>For the contractor</i></b>	<b><i>For the European Parliament</i></b>
<i>[signature]</i>	<i>[signature]</i>
<i>[contractor's name]</i>	<i>[name of AOS]</i> <b><i>Authorizing officer by sub-delegation</i></b>
<b><i>Date</i></b>	<b><i>Date</i></b>