

DRAFT MULTIPLE FRAMEWORK SERVICE CONTRACT

*Multiple Framework Service Contract for the provision
of external expertise in the field of the EU Budget
Contract N° IP/D/ALL/FWC/2020-001*

BETWEEN

the European Union, represented by the European Parliament,
located at Rue Wiertz 60, B-1047 Brussels
represented, as regards the signing of this contract,
by Mrs. Monika STRASSER, Director, Directorate General Internal Policies, Directorate D,
Directorate for Budgetary Affairs,
hereinafter referred to as ‘the European Parliament’,

of the one part,

AND

..... domiciled at/the registered office of which is located at¹
.....,
represented by Mr / Ms,
acting in his/her capacity as duly authorised representative,
hereinafter referred to as ‘the contractor’²,

of the other part,

hereinafter referred to jointly as ‘the parties’,

HAVE AGREED THE FOLLOWING

Specific Terms and Conditions and General Terms and Conditions

I – SPECIFIC TERMS AND CONDITIONS

ARTICLE I.1 – SUBJECT OF THE CONTRACT

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

² In the case of a group of economic operators, all the members of the group should be identified as contractors. To do that, the contract shall 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’” shall need to be replaced by “hereinafter referred to collectively as ‘the contractor’”. This wording shall not be applicable in the case of a group of economic operators established with its own legal personality. In that case, the name of the group of economic operators shall be explicitly specified in the contract as being ‘the contractor’, but the individual economic operators which formed the group shall be identified explicitly in the clause relating to joint and several liability.

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 two (2) Committees on Budgets and on Budgetary Control in the field of the EU Budget as detailed in Section 2 of 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 but not before 1st April 2020, and shall run for an initial period of 12 months.
2. This 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 this contract exceed four (4) 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 shall 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 filled-in Financial Offer (Annex IV) and not open to revision for the entire duration of this contract, including all renewal periods.

The daily rates for briefings, analyses, studies and workshops per specific service requested shall be in accordance with the Financial Offer of the contractor's tender (Annex IV). The price shall be expressed in euros exclusive of value added tax (VAT). The price shall cover all the costs borne by the contractor in performance of each order.

2. Payments under this 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 shall 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 shall contain the information specified in Article II.3. of this contract (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

Within sixty days of completion of the tasks referred to in each order form, the contractor should submit an admissible invoice.

To be admissible, the request for payment of the balance for an order form issued by the European Parliament shall be accompanied by:

- a list of all pre-existing rights to the results or parts of the results or a declaration stating that there are no such pre-existing rights, as provided for in Article II.9.5;
- the communication of the European Parliament to the contractor that he has performed all the services required under the order form and the specifications annexed to the order form or proof that the deadline for tacit acceptance has run out according to Section 5.2 of Annex I of this contract (Global terms of reference);
- the relevant invoices indicating the reference number of this contract and of the order form.

Within the period laid down in paragraph 6, the balance corresponding to the relevant invoices shall be paid.

5. The contractor shall send all payment requests or credit notes relating to the performance of this contract to the European Parliament's Official Mail Service, Plateau du Kirchberg, L-2929 Luxembourg, Luxembourg, for the attention of DG IPOL/Policy Department D.

The contractor shall forward payment requests or credit notes to the European Parliament in envelopes, packages or equivalent items. 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:

Mrs Monika STRASSER, Director
Directorate D - Budgetary Affairs, DG IPOL

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

6. The sums due in respect of the performance of this contract shall be payable within 30 calendar days as from the date of registration of the request for payment by the Accounting Officer of the European Parliament. Payments shall be deemed to have been made on the value date on which the European Parliament's bank 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 shall 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 amounts referred to in the payment request are due;

(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 email from the functional mailbox poldepd_tenders@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:

- 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;

- in respect of (c) and (e), upon the expiry of a reasonable period, as determined by the European Parliament and communicated to the contractor in the notification; and

- 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.

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 shall 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 200 EUR, 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 by transfer to the contractor's bank account denominated in euros, for which the contractor has provided details in the 'Financial identification form' (point 1.10. of Annex II – Administrative Offer) or, in exceptional circumstances, an equivalent document accepted by the European Parliament. 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. The contractor shall comply with the requirements provided for in the tender specifications, including compliance with applicable obligations under environmental, social and labour law established by Union law, national law and collective agreements or by the international environmental, social and labour law provisions listed in Annex X to Directive 2014/24/EU (OJ L 94 of 28.03.2014, p. 65).
2. Each time the issuing of an order form for a briefing or a study is considered by the European Parliament, the procedure as specified in Section 5.1 of Annex I: Global terms of reference shall apply. In the event of failure to comply with the conditions stipulated there, the contractor shall be considered to have waived participation in the specific competitive tendering procedure. However, if the contractor does not submit any offers after three (3) subsequent requests without reasoned justifications, the European Parliament may terminate this contract.
3. In the event of termination under Article I.11, paragraph 4, the European Parliament may continue to perform this contract by using those contractors with which this contract remains in force, without being required to launch a new invitation to tender.
4. The period allowed for the performance of the services laid down in each order shall not begin to run until the date on which the order form or specific contract is signed by the European Parliament, unless that document refers to a different date.
5. 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 the performance of this contract.

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

(not applicable)

ARTICLE I.9 – ACCEPTANCE PROCEDURE

The acceptance procedure is detailed in Section 5.2 of Annex I: Global terms of reference. The contractor may not submit an invoice for his services until the European Parliament has accepted the final version of the expertise and has instructed the contractor to send the invoice. The original invoice shall be expressed in Euros.

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 or specific contracts, which shall 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, as indicated in Article II.2 of the General Conditions.

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 4.2 of Annex I to this contract (Global terms of reference) 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 20% of the outstanding amount shall be deducted;
- cases of plagiarism are not immediately removed at the European Parliament's request; in such a case, 25% of the outstanding amount shall be deducted without prejudice to the European Parliament's rights to terminate this contract under Article II.16, paragraph 1;
- 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 European 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.

If several of these cases apply, the different deductions shall 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 this 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 poldepd_tenders@ep.europa.eu with delivery/read receipt. The penalty shall 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 the 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 by email from the functional mailbox poldepd_tenders@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.18 of this contract (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.16 (5) (c) of this contract (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.
3. 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 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the Financial Rules applicable to the general budget of the European Union, (hereafter "Regulation (EU, Euratom) No 2018/1046")
4. 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 Points 2 and 3 of Annex I of Regulation (EU, Euratom) No 2018/1046.

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

The controller of the processing of personal data is the following organisational entity of the European Parliament: Policy Department for Budgetary Affairs.

ARTICLE I.15 – JOINT AND SEVERAL LIABILITY OF THE CONTRACTOR³

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 contract⁴.
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 contractor⁵.

ARTICLE I.16 - EXPLOITATION OF THE RESULTS OF THE CONTRACT

1. Detailed list of modes of exploitation of the results

In accordance with Article II.9.2 whereby the Union acquires ownership of the *results* as defined in this contract, including the tender specifications, these *results* may be used for any of the following modes of exploitation:

- (a) use for its own purposes:
 - making available to the staff of the contracting authority;
 - making available to the persons and entities working for the contracting authority or cooperating with it, including contractors, subcontractors whether legal or natural persons, Union institutions, agencies and bodies, Member States’ institutions;
 - arranging, compiling, combining, retrieving;
 - copying, reproducing in whole or in part and in unlimited number of copies.
- (b) distribution to the public in hard copies, in electronic or digital format, on the internet including social networks as a downloadable or non-downloadable file;
- (c) communication through press information services;
- (d) inclusion in widely accessible databases or indexes;
- (e) modifications by the contracting authority or by a third party in the name of the contracting authority, including:
 - shortening;
 - summarising;

³ To be marked "not applicable" if no group of economic operators is defined as "the contractor" at the beginning

⁴ In the case of a group of economic operators with its own legal personality, paragraph 1 should be replaced by the following: ‘Parties forming the group 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.

⁵ 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 groups of economic operators may emerge (with a designated lead tenderer but with the group itself having its own bank account, a ‘genuine’ group of economic operators with its own legal personality and bank account, etc). Consequently, this clause shall need to be adapted subsequently, once the result of the invitation to tender is known. In any case, the members of the group of economic operators, whether or not it has its own legal personality, shall always be required to assume joint and several liability vis-à-vis the European Parliament.

- updating the content;
 - making technical changes to the content (necessary correction of technical errors), adding new parts;
 - addition of new elements, paragraphs, titles, leads, bolds, legend, table of content, summary, graphics;
 - addition of metadata, for text and data-mining purposes; addition of right-management information; addition of technological protection measures;
 - preparation in audio form, preparation as a presentation, animation, pictograms story, slide-show, public presentation;
 - extracting a part or dividing into parts;
 - incorporating, including cropping and cutting, the *results* or parts thereof in other works, such as on websites and webpages;
 - translating, inserting subtitles, dubbing in different language versions (languages used within EU);
- (f) rights to authorise, license, or sub-license in case of licensed *pre-existing rights*, the modes of exploitation set out in any of the points (a) to (e) to third parties.
- (g) other adaptations which the parties may later agree; in such case, the following rules apply: the contracting authority shall consult the contractor. If necessary, the contractor shall in turn seek the agreement of any *creator* or other right holder and shall reply to the contracting authority within one month by providing its agreement, including any suggestions of modifications, free of charge. The contractor may refuse the intended modification only if a *creator* can demonstrate that the intended modification may harm his/her honour or reputation, thereby violating his/her moral rights.

The modes of exploitation may be defined in more details in the specific contract.

2. Licence or transfer of pre-existing rights

Licence of pre-existing rights

All *pre-existing rights* incorporated in the *results*, if any, are licensed on a non-exclusive basis.

3. Provision of list of pre-existing rights and documentary evidence

The contractor shall provide the contracting authority with a list of *pre-existing rights* as set out in Article II.9.5 together with the invoice for payment of the balance at the latest. The list has to contain any pre-existing right for which either free use is allowed or for which a license has been granted or the right as such has been obtained, for example but not restricted to the use of databases, of whole graphs, or for the case that subcontractors have transferred their rights to the contractor.

4. Territorial scope and duration of exclusive rights

The territorial scope of the exclusive rights is worldwide.

In case of a license, the duration of the exclusive rights is the entire duration of intellectual property rights protection.

ARTICLE I.17 – GENERAL ADMINISTRATIVE PROVISIONS

All communications relating to this 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 D - Directorate for Budgetary Affairs
Policy Department D
For the attention of Mrs Monika STRASSER, Director
Building Square de Meeûs, Office 06Y072
Rue Wiertz 60
B-1047 Brussels
Email: poldepd_tenders@ep.europa.eu

For the contractor:

Mr/Ms *(complete)*
(insert position)
(insert company name)
[insert full official address]
email address

ARTICLE I.18 – 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: Financial offer *(to be submitted by the tenderer)*
- Annex V: Template/draft order form for specific contracts
- 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 this 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 obtaining, in a timely manner, any permit, licence or accreditation 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. Such permit, licence or accreditation might include, but shall not be limited to security accreditation and (or) security clearance of the contractor or any person acting on his behalf, necessary for access to premises, locations and (or) events in the context of execution of the contract. The European Parliament may terminate the contract without prior notice if the contractor is unable to obtain any of the permits, licences, accreditations or clearances required for performance of the contract and (or) assure that the contract is executed by the persons having all the necessary licences, permits, accreditations and (or) clearances.
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 shall 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 which results 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 shall 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.18 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 or harm 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 or harm.
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 or harm 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 shall contain, without fail, the following information: the purchase order number (PO no). If the PO no does not exist, the order form and/or specific contract reference and/or date is mandatory together with, a description of the services provided, the prices in euros⁶, and the contractor's bank details, including IBAN and BIC codes, and VAT number. Invoices shall be marked '*For the official use of the European Parliament*'. The invoice may also make separate reference to the final recipient.
3. Invoices shall be sent to the European Parliament's Official Mail Unit, Plateau du Kirchberg, L-2929 Luxembourg, Luxembourg.
4. **E-invoicing**
If provided for in the special conditions, the contractor submits invoices in electronic format if the conditions regarding electronic signature specified by Directive 2006/112/EC on VAT are fulfilled, i.e. using a qualified electronic signature or through electronic data interchange. Reception of invoices by standard format (pdf) or email is not accepted.
5. 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 2018/1046, 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 acknowledges 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 shall 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 shall show clearly that the services are intended for the European Parliament and shall indicate separately the amount payable for the services and related supplies, excluding VAT and the amount of VAT due.

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

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 an equivalent statement in Dutch or German. The contractor's invoices shall state the following: *'Facture exonérée de la TVA, article 42, paragraphe 3.3 du Code de la TVA'* or the equivalent in Dutch or German.

ARTICLE II.5 – RECOVERY

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 any guarantee provided for.

ARTICLE II.6 – SUBCONTRACTING

1. The contractor may not conclude subcontracting contracts, or cause them to be performed in fact by third parties, without the written authorisation of the European Parliament. The acceptance of a tender, submitted prior to the signing of the framework contract or a specific contract, referring to the use of one or more subcontractors, shall be deemed tacit acceptance of those subcontractors by the European Parliament.
2. Even if the European Parliament authorises the contractor to subcontract, the contractor shall remain solely and fully liable for the proper performance of the contract, both vis-à-vis the European Parliament and vis-à-vis third parties.
3. Contracts with subcontractors shall be concluded in writing. The contractor shall be required to include in any contracts concluded with subcontractors provisions enabling the European Parliament to enjoy the same rights and guarantees in relation to those subcontractors as in relation to the contractor himself.
4. The European Parliament reserves the right to require the contractor to supply information on compliance by any subcontractor with the exclusion criteria and his legal, regulatory, financial, economic, technical and professional capacities including the minimum requirements provided for in the tender specifications. This includes compliance with applicable obligations under environmental, social and labour law established by Union law, national law and collective agreements or by the international environmental, social and labour law provisions listed in Annex X to Directive 2014/24/EU (OJ L 94 of 28.03.2014, p. 65).
5. The contracting authority may request the contractor to replace a subcontractor found to be in a situation provided for in points (d) and (e) of Article II.16.1.
6. In the absence of the authorisation referred to in paragraph 1 above, or in the event of failure to observe the terms thereof, subcontracting by the contractor shall not be enforceable against, and shall have no effect on, the European Parliament.

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 AND PROFESSIONAL CONFLICTING 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. A conflict of interest may in particular occur when the situation described in Article 141, paragraph 1. (c) of the Financial Regulation applies. A professional conflicting interest is any situation in which the contractor's previous or ongoing professional activities affect its capacity to implement the contract or to perform a specific contract to an appropriate quality standard as defined in Point 20.6 of Annex I of the Financial Regulation. Any suspicion of conflict of interest or any professional conflicting interest arising during performance of the contract shall 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 shall not make any offer of any type whatsoever from which an advantage could be derived under the contract;
 - that he has not granted and shall not grant, has not sought and shall not seek, has not attempted and shall not attempt to obtain, and has not accepted and shall not accept any advantage, financial or in kind, respectively 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 PROPERTY RIGHTS

1. Definitions

‘**Creator**’: means any natural person who contributes to the production of the result.

‘**Pre-existing material**’: any material, document, technology or know-how which exists prior to the contractor using it for the production of a *result* in the *implementation of this contract*;

‘**Pre-existing right**’: any industrial and intellectual property right on *pre-existing material*; it may consist in a right of ownership, a licence right and/or right of use belonging to the contractor, the *creator*, the contracting authority as well as to any other third parties;

‘**Result**’: any intended outcome of the *implementation of this contract*, whatever its form or nature, which is delivered and finally or partially approved by the contracting authority. A *result* may be further defined in this contract as a deliverable. A *result* may, in addition to materials produced by the contractor or at its request, also include *pre-existing materials*.

2. Ownership of the results and exclusive rights

The Union acquires irrevocably worldwide ownership of the *results* and of all intellectual property rights under the contract. The intellectual property rights so acquired include any rights, such as copyright and other intellectual or industrial property rights, to any of the *results* and in all technological solutions and information created or produced by the contractor or by its subcontractor in implementation of the contract. The contracting authority may exploit and use the acquired rights as stipulated in this contract. The Union acquires all the rights from the moment the contracting authority approves the *results* delivered by the contractor. Such delivery and approval are deemed to constitute an effective assignment of rights from the contractor to the Union.

The payment of the price includes any fees payable to the contractor about the acquisition of ownership of rights by the Union including for all modes of exploitation and of use of the *results*.

3. Licensing rights on pre-existing materials

The Union does not acquire ownership of *pre-existing rights* under this contract.

The contractor licenses the *pre-existing rights* on a royalty-free, non-exclusive and irrevocable basis to the Union, which may use the *pre-existing materials*, including associated rights, for all the modes of exploitation set out in this contract or in specific contracts. All *pre-existing rights* are licensed to the Union from the moment the *results* are delivered and approved by the contracting authority.

The licensing of *pre-existing rights* to the Union under this contract covers all territories worldwide and is valid for the duration of intellectual property rights protection.

The payment of the price as set out in the specific contracts is deemed to also include any fees payable to the contractor in relation to the licensing and/or transfer of *pre-existing rights* by or to the Union, including for all forms of exploitation and of use of the *results* as defined in the special conditions or specific contracts, if any.

Where implementation of the contract requires that the contractor uses *pre-existing materials* belonging to the contracting authority, the contracting authority may request that the contractor signs an adequate licence agreement. Such use by the contractor shall not entail any transfer of rights to the contractor and is limited to the needs of this contract.

4. Exclusive rights

The Union acquires the following exclusive rights:

- (a) reproduction: the right to authorise or prohibit direct or indirect, temporary or permanent reproduction of the *results* by any means (mechanical, digital or other) and in any form, in whole or in part;
- (b) communication to the public: the exclusive right to authorise or prohibit any display, performance or communication to the public, by wire or wireless means, including the making available to the public of the *results* in such a way that members of the public may access them from a place and at a time individually chosen by them; this right also include the communication and broadcasting by cable or by satellite;
- (c) distribution: the exclusive right to authorise or prohibit any form of distribution of *results* or copies of the *results* to the public, by sale or otherwise;
- (d) rental: the exclusive right to authorise or prohibit rental or lending of the *results* or of copies of the *results*;
- (e) adaptation: the exclusive right to authorise or prohibit any modification of the *results*;
- (f) translation: the exclusive right to authorise or prohibit any translation, adaptation, arrangement, creation of derivative works based on the *results*, and any other alteration of the *results*, subject to the respect of moral rights of authors, where applicable;
- (g) where the *results* are or include a database: the exclusive right to authorise or prohibit the extraction of all or a substantial part of the contents of the database to another medium by any means or in any form; and the exclusive right to authorise or prohibit the re-utilization of all or a substantial part of the contents of the database by the distribution of copies, by renting, by on-line or other forms of transmission;
- (h) where the *results* are or include a patentable subject-matter: the right to register them as a patent and to further exploit such patent to the fullest extent;
- (i) where the *results* are or include logos or subject-matter which could be registered as a trademark: the right to register such logo or subject-matter as a trademark and to further exploit and use it;
- (j) where the *results* are or include know-how: the right to use such know-how as is necessary to make use of the *results* to the full extent provided for by this framework contract, and the right to make it available to contractors or subcontractors acting on behalf of the contracting authority, subject to their signing of adequate confidentiality undertakings where necessary;
- (k) where the *results* are documents:
 - (i) the right to authorise the reuse of the documents; “reuse” means the use of documents by persons or legal entities of documents, for commercial or non-commercial purposes other than the initial purpose for which the documents were produced;
 - (ii) the right to store and archive the *results* in line with the document management rules applicable to the contracting authority, including digitisation or converting the format for preservation or new use purposes;
- (l) where the *results* are or incorporate software, including source code, object code and, where relevant, documentation, preparatory materials and manuals, in addition to the other rights mentioned in this Article:
 - (i) end-user rights, for all uses which result from this contract and from the intention of the parties, both by the Union or by subcontractors acting on behalf of the Union;

- (ii) the rights to decompile or disassemble the software;
- (m) the right to license, or sub-license in case of licensed *pre-existing rights*, to third parties any of the exclusive rights or of the modes of exploitation set out in this framework contract;
- (n) to the extent that the contractor may invoke moral rights, the right for the contracting authority, except where otherwise provided in this framework contract, to publish the *results* with or without mentioning the *creator(s)*' name(s), and the right to decide when and whether the *results* may be disclosed and published.

The contractor warrants that the exclusive rights and the modes of exploitation may be exercised by the Union on all parts of the *results*, be they created by the contractor or consisting of *pre-existing materials*.

Where *pre-existing materials* are inserted in the *results* on contractor's own initiative, the contracting authority may accept reasonable restrictions impacting on the above list, provided that the said materials are easily identifiable and separable from the rest, that they do not correspond to substantial elements of the *results*, and that, should the need arise, satisfactory replacement solutions exist, at no additional costs to the contracting authority. In such case, the contractor shall have to clearly inform the contracting authority before making such choice and the contracting authority has the right to refuse it.

5. Identification of pre-existing rights

When delivering the *results*, the contractor shall warrant that, for any use that the contracting authority may envisage within the limits set in this contract, the *results* and the *pre-existing material* incorporated in the *results* are free of claims from *creators* or from any third parties and all the necessary *pre-existing rights* have been obtained or licensed.

To that effect, the contractor shall establish a list of all *pre-existing rights* to the *results* of this contract or parts thereof, including identification of the rights' owners. If there are no *pre-existing rights* to the *results*, the contractor shall provide a declaration to that effect. The contractor shall provide this list or declaration to the contracting authority together with the invoice for payment of the balance at the latest.

6. Evidence of granting of pre-existing rights

Upon request by the contracting authority, the contractor shall provide evidence that it has the ownership or the right to use all the listed *pre-existing rights*, except for the rights owned or licensed by the Union. The contracting authority may request this evidence even after the end of this contract.

This evidence may refer, for example, to rights to: parts of other documents, images, graphs, sounds, music, tables, data, software, technical inventions, know-how, IT development tools, routines, subroutines or other programs ('background technology'), concepts, designs, installations or pieces of art, data, source or background materials or any other parts of external origin.

This evidence shall include, as appropriate:

- (a) the name and version number of a software product;
- (b) the full identification of the work and its author, composer, musician, developer, *creator*, translator, data entry person, graphic designer, publisher, editor, photographer, producer;
- (c) a copy of the licence to use the product or of the agreement granting the relevant rights to the contractor or a reference to this licence;
- (d) a copy of the agreement or extract from the employment contract granting the relevant rights to the contractor where parts of the *results* were created by its *personnel*;

- (e) the text of the disclaimer notice if any.

Provision of evidence does not release the contractor from its responsibilities if it is found that it does not hold the necessary rights, regardless of when and by whom this fact is revealed.

The contractor also warrants that it possesses the relevant rights or powers to execute the transfer and that it has paid or has verified payment of all due fees including fees due to collecting societies, related to the final *results*.

7. Quotation of works in the result

In the *result*, the contractor shall clearly point out all quotations of existing works. The complete reference should include as appropriate, the following: name of the author, title of the work, date and place of publication, date of creation, address of publication on the internet, number, volume and other information that allows the origin to be easily identified.

8. Moral rights of creators

By delivering the *results*, the contractor warrants that the *creators* shall not object to the following on the basis of their moral rights under copyright:

- (a) that their names be mentioned or not mentioned when the *results* are presented to the public;
- (b) that the *results* be divulged or not after they have been delivered in their final version to the contracting authority;
- (c) that the *results* be adapted, provided that this is done in a manner which is not prejudicial to the *creator's* honour or reputation.

If moral rights on parts of the *results* protected by copyright may exist, the contractor shall obtain the consent of *creators* regarding the granting or waiver of the relevant moral rights in accordance with the applicable legal provisions and be ready to provide documentary evidence upon request.

9. Image rights and sound recordings

If natural persons appear in a *result* or their voice or any other private element is recorded in a recognisable manner, the contractor shall obtain a statement by these persons (or, in the case of minors, by the persons exercising parental authority) giving their permission for the described use of their image, voice or private element and, on request, submit a copy of the permission to the contracting authority. The contractor shall take the necessary measures to obtain such consent in accordance with the applicable legal provisions.

10. Copyright notice for pre-existing rights

When the contractor retains *pre-existing rights* on parts of the *results*, reference shall be inserted to that effect when the *result* is used as set out in Article I.16.1, with the following disclaimer: '© — year — European Union. All rights reserved. Certain parts are licensed under conditions to the EU', or with any other equivalent disclaimer as the contracting authority may consider best appropriate, or as the parties may agree on a case-by-case basis. This does not apply where inserting such reference would be impossible, notably for practical reasons.

11. Visibility of Union funding and disclaimer

When making use of the *results*, the contractor shall declare that they have been produced under a contract with the Union and that the opinions expressed are those of the contractor only and do not

represent the contracting authority's official position. The contracting authority may waive this obligation in writing or provide the text of the disclaimer.

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 - DATA PROTECTION

1. All processing of personal data by the European Parliament is subject to Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data.

The processing of personal data by the Contractor on behalf of the European Parliament is also subject to the Regulation 2018/1725 and the Contractor shall comply with all its obligations deriving therefrom. The Contractor and its subcontractors carrying out processing activities on behalf of the European Parliament are “processors” in the sense of Article 3(12) of that Regulation.

Any other processing of personal data by the Contractor in connection with this contract is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data. Without prejudice to the other cases provided for in that Regulation, processing of personal data in connection with this contract is authorized only if it is necessary for its execution.

2. The following paragraphs apply to the processing of personal data by the Contractor on behalf of the European Parliament to the extent that the present contract provides for such processing.
3. The servers and other data processing equipment used for the execution of this contract shall be located in, and only accessible from, the territory of the geographical scope of application of Regulation (EU) 2018/1725 or in the territory of a third country of which the Commission has decided in accordance with Article 45 of Regulation (EU) 2016/679 that it ensures in all of its territory, in part of it, or in one or more specified sectors an adequate level of protection. In the absence of such a decision, locating the servers or other data processing equipment in the territory of a third country, or accessing them from such territory, shall be possible only under the conditions laid down in Articles 48 and 50 of Regulation (EU) 2018/1725.

4. The Contractor may act only on documented written instructions from the controller designated in Article I.12, paragraph 1, including with regard to transfers of personal data to a third country or an international organisation, unless required to do so by Union or Member State law to which the Contractor is subject. In such a case, the Contractor shall inform the controller of that legal requirement before processing, unless the law in question prohibits such information on important grounds of public interest.

The Contractor shall notify the relevant personal data breaches to the controller without undue delay and at the latest within 48 hours after the Contractor becomes aware of the breach. In such cases, the Contractor shall provide the controller with at least the following information:

- (a) nature of the personal data breach, including, where possible, the categories and approximate number of data subjects concerned and the categories and approximate number of personal data records concerned;
- (b) likely consequences of the breach;
- (c) measures taken or proposed to be taken to address the breach, including, where appropriate, measures to mitigate its possible adverse effects.

The processor shall immediately inform the controller if, in its opinion, an instruction infringes this Regulation or other Union or Member State data protection provisions.

5. The Contractor shall ensure that all contracts it concludes with its subcontractors for carrying out processing activities on behalf of the European Parliament lay down the same data protection obligations as set out in the present contract. The Contractor shall provide a copy of these Contracts to the European Parliament.

6. The Contractor shall:

- (a) ensure that persons authorized to process the personal data have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality and grant them access to the personal data to the extent strictly necessary for the implementation, management and monitoring of this contract;
- (b) taking into account the nature of the processing, assist the controller by appropriate technical and organisational measures, insofar as this is possible, for the fulfilment of the controller's obligation to respond to requests for exercising the data subject's rights;
- (c) assist the controller in ensuring compliance with the obligations imposed by Union law, in particular by Articles 14 to 25 and 33 to 41 of Regulation (EU) 2018/1725, taking into account the nature of processing and the information available to the Contractor;
- (d) at the choice of the controller, delete or return, in a structured, commonly used and machine-readable format, all the personal data to the controller after the end of the provision of services relating to processing, and delete existing copies unless Union or Member State law requires storage of the personal data;
- (e) make available to the controller all information necessary to demonstrate compliance with the obligations laid down in this Article, in particular as regards the measures it has taken, and allow for and contribute to audits, including inspections, conducted by the European Data Protection Supervisor, the controller or another auditor mandated by the controller.

7. The Contractor shall implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk, including, inter alia, as appropriate:

- (a) the pseudonymisation and encryption of personal data;

- (b) the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services;
 - (c) the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident;
 - (d) a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing;
 - (e) measures taken to protect personal data from accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to personal data transmitted, stored or otherwise processed.
8. The Contractor shall take steps to ensure that any natural person acting under its authority who has access to personal data does not process them except on instructions from the controller, unless he or she is required to do so by Union law.
 9. The Contractor shall notify the controller without delay of any legally binding request for disclosure of the personal data processed on behalf of the controller made by any national public authority, including an authority from a third country.
 10. The European Parliament reserves the right to verify the Contractor's compliance with the obligations, and its implementation of the measures, foreseen in this Article.

ARTICLE II.12 – 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.13 – 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 make reference to the amount paid by the European Union, or may make the authorisation subject to other conditions. The information published or distributed shall at all events 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.
4. All information and documents communicated to the Contractor or subcontractors in connection with the execution of this contract, and any results arising from such execution, shall be considered as covered by Protocol No 7 on the privileges and immunities of the European Union with regard to the inviolability of archives. This also applies to all data processed on behalf of the

controller, as well as to the servers and other data processing equipment referred to in paragraph 3 of Article II.11.

If national authorities or any other third party request access to such information, documents, results, data, servers or equipment, the Contractor or subcontractors shall refuse such access, refer the requesting party to the European Parliament and inform Parliament of such request.

ARTICLE II.14 – 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.15 – 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 entitlement of the contractor 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.16 – 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 or any person that assumes unlimited liability for the debts of the contractor is in one of the situations provided for in points (a) and (b) of Article 136(1) of the Financial Regulation⁷;
 - (b) if the contractor or any *person within the meaning of Article 136 (4) points a) or c) of the Financial Regulation*, is subject to any of the situations provided for in points (c) to (h) of Article 136(1) or to Article 136(2) of the Financial Regulation;
 - (c) if the contractor does not comply with applicable obligations under environmental, social and labour law established by Union law, national law, collective agreements or by the international environmental, social and labour law provisions listed in Annex X to Directive 2014/24/EU;
 - (d) if the contractor is in a situation that could constitute a *conflict of interest* or a *professional conflicting interest* as referred to in Article II.8;
 - (e) If the contractor has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
 - (f) 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;
 - (g) if the contractor is unable, through his own fault, to obtain any permit or licence required for performance of the contract;
 - (h) 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;
 - (i) if the contractor is subject to an administrative penalty referred to in Article 138(1) of the Financial Regulation;
 - (j) if, after the contract has been awarded, the procurement procedure or performance of the contract is found to be subject to material errors, irregularities, corruption or fraud; if these errors, irregularities, corruption 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, corruption or fraud;
 - (k) 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;
 - (l) if fundamental changes resulting from the withdrawal of the United Kingdom of the European Union disrupt the assumptions of the parties underlying the contract that the continuation of the contract can no longer be reasonably expected from the European Parliament or would be in conflict with its legal obligations.
2. In the event of *force majeure* notified in accordance with Article II.15, 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.

⁷ Regulation (EU, EURATOM) No 2018/1046 on the financial rules applicable to the general budget of the Union, ...
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32018R1046&qid=1538384366424>

3. Prior to any termination of the contract under paragraph 1, point (i), the contractor shall have an 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.
 - (d) Following termination, Parliament may impose administrative and financial penalties under the conditions set out in Articles 136 to 141 of the Financial Regulation.

ARTICLE II.17– 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 shall 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.18 – ADMINISTRATIVE AND FINANCIAL PENALTIES

1. The European Parliament may impose administrative or financial penalties in the following cases:
 - (a) a contractor who is in an exclusion situation established in accordance with Article 136 of the Financial Regulation;
 - (b) a contractor who has been guilty of misrepresenting the information required by the

European Parliament as a condition of participation in the procurement procedure or has failed to supply that information;

In all cases, however, the European Parliament or the Panel established by Article 143 of the Financial Regulation shall 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; and/or
 - (b) the payment of financial penalties by the contractor up to 10% of the value of the contract in question and/or
 - (c) the publication of the name of the contractor, the exclusion situation and the duration of the exclusion pursuant to Article 140 (1) of the Financial Regulation.

ARTICLE II.19 – CHECKS AND AUDITS

1. Pursuant to Article 257 of Regulation (EU, Euratom) No2018/1046, 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 until five years after the date of payment of the balance.
2. The European Parliament, an outside body of its choice, or, for the processing of personal data, the European Data Protection Supervisor 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 until 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 (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999, from the signing of the contract up to five years after the date of payment of the balance.
4. In accordance with Regulation (EU) No 2018/1725 of the European Parliament and of the Council and with Article 57 of Regulation No 2018/1046, for the purposes of safeguarding the financial interests 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 Panel established by Article 143 Financial Regulation or to the European Anti-Fraud Office.

ARTICLE.II.20 - ENVIRONMENTAL AND SOCIAL PROVISIONS

1. 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 and social and labour law requirements laid down in Article I.7. Such inspections and checks may be carried out in part or in full by an external body duly authorised by the European Parliament.
2. 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.20bis - SECURITY PROVISIONS

1. In performance of this contract the contractor undertakes to comply himself and to assure that persons acting on his behalf comply with the national and internal safety and security rules which apply to access to the European Parliament's premises, locations or events and with any other comparable restrictions in force. The contractor is aware that such compliance might include, but shall not be limited to, the obligation to obtain a security clearance for himself and any person acting on his behalf in the context of execution of the contract from the competent services of the European Parliament and (or) national authorities.
2. The contractor shall cooperate with the competent security service of the European Parliament in order to assist the latter in carrying out its security duties and tasks. Such cooperation includes, but is not limited to, immediate reporting to the said competent service of any changes of persons authorised to act on behalf of the contractor in execution of this Contract as well as any matters of potential security concern.
3. In the event a person acting on the contractor's behalf and entering the European Parliament's premises fails to obtain or loses security accreditation or security clearance the contractor shall replace him immediately. Any other failure to comply with the applicable safety and security rules shall entitle the European Parliament to have the member of staff in question replaced. Replacement staff shall have obtained the necessary security accreditations and (or) security clearances 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 which results from the replacement of staff in accordance with this article.
4. Any failure on the contractor's part to comply with the security obligations and (or) any refusal to undergo the necessary security accreditation and (or) the security clearing check shall entitle the European Parliament to terminate this contract without prior notice.

ARTICLE II.21 – MODIFICATION OF THE CONTRACT

1. Any modification of this contract or its annexes, including additions or deletions, shall require a supplementary written agreement concluded on the same terms as the contract. No oral agreement may bind the parties for that purpose.
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 a waiver by the European Parliament of any provision of this contract.

Done in two originals.

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