

Model contract for outsourcing of technical and administrative assistance

Contract No []

The European [*Atomic Energy*]¹ Community ("the Community"), represented by the Commission of the European Communities ("the Commission"), which is represented for the purposes of signing this Contract by [full name, function, department],

of the one part

and

[full name]

[*legal form*]

[*statutory registration number*]

[registered head office/place of operation]

[full official address]

[*VAT registration number*]

represented by its authorised representative(s) [full name and function] ("the Contractor")

of the other part

HAVE, for the implementation of [Community Programme title], AGREED AS FOLLOWS:

Article 1 - Subject

The Contractor shall execute the tasks in accordance with the Technical Specifications annexed to this Contract (Annex I).

Article 2 - Duration

1. The Contract shall enter into force when it is signed by the last of the contracting parties.
2. The execution of the tasks may in no circumstances begin before the date on which the Contract enters into force.
3. The duration of the tasks shall not exceed [] days after the entry into force of the Contract [date 1].²

¹ Options [*in italics*] should be deleted where not applicable.

Options [in normal style] should be filled in or modified.

4. The execution of the tasks under the conditions of the Contract may be renewed only with the express written agreement of the parties before the end of the duration of the tasks provided for in paragraph 3, and in accordance with Article 19.

Article 3 – Amounts

1. [The total amount to be paid by the Commission under the Contract shall be EUR [amount in figures and in words]. This amount shall be a fixed lump sum covering all tasks executed, and accordingly the Commission may not be charged any additional amount.]³
2. [The maximum amount to be paid by the Commission under the Contract shall be EUR [amount in figures and in words]. This amount shall be made up of the following
 - (a) fees of up to EUR [amount in figures and in words] for the tasks executed, in accordance with Annex I;
 - (b) expenses incurred by the Contractor in executing the tasks, defined in Annex II as “eligible expenses”, provided that supporting documents are produced and that the expenses have arisen before the end of the duration of the tasks provided for in article 2.3. The expenses may not exceed EUR [amount in figures and in words].³

Article 4 – Payments

1. Payments under the Contract shall be made as follows:
 - (a) a pre-financing of EUR [amount in figures and in words], subject to acceptance by the Commission of the duly constituted financial guarantee⁴, shall be paid within a maximum of [fill]⁵ days of the date on which a valid request for payment is registered;
 - (b) where applicable, interim payments shall be made within [fill]⁶ days of the Commission’s approval of the interim reports, invoices [*and statements of eligible expenses*];
 - (c) payment of the balance due shall be made within [fill]⁷ days of the Commission’s approval of the final report, invoices [*and statements of eligible expenses*].

[

2. *Performance guarantee:*

³ Only one of the two options in paragraphs 1 and 2 may be chosen. Should option 1 be chosen, Annex II is not applicable. The amount mentioned in point (b) corresponds to a percentage of the fees referred to at point (a).

⁴ To be coordinated with the option chosen in Article 5.

⁵ According to the detailed rules for the implementation of Council Regulation (EC) N° 1605/2002 on the Financial Regulation, the payment time allowed is 30 days, unless otherwise provided for in the Contract.

⁶ According to the detailed rules for the implementation of Council Regulation (EC) N° 1605/2002 on the Financial Regulation, the payment time allowed is 30 days, unless otherwise provided for in the Contract.

⁷ According to the detailed rules for the implementation of Council Regulation (EC) N° 1605/2002 on the Financial Regulation, the payment time allowed is 30 days, unless otherwise provided for in the Contract.

Option 1

A performance guarantee corresponding to 10% of the total value of the Contract will be constituted by deduction(s) from interim payment(s). The release of the guarantee implies final acceptance of the technical and administrative assistance services.

Option 2

A performance guarantee corresponding to 10% of the total value of the Contract will be constituted by deductions from interim payment(s) and from the payment of the balance. It will be withheld up to [fill months] from the date of payment of the balance. The release of the guarantee implies final acceptance of the technical and administrative assistance services.

Option 3

An amount corresponding to 10% of the total value of the contract will be withheld up to [fill months] from the date of payment of the balance in order to constitute a performance guarantee, the release of which implies final acceptance of the technical and administrative assistance services.】

3. Payments shall be deemed to have been made on the date on which the Commission's account is debited.
4. The payment periods referred to in paragraph 1 and in article 7.4. may be suspended by the Commission at any time if it informs the Contractor that his payment request is not admissible, whether because the amount is not due or the necessary supporting documents have not been produced.
5. The Financial Regulation applicable to the general budget of the EC imposes a negative prescription in the form of a final date for implementation on legal commitments towards third parties extending over more than one financial year, before which all the implementation phases and payments have to be done.
This deadline is determined adding to the task(s) completion date:
 - the maximum periods foreseen for the submission of reports and other documents required from the Contractor,
 - the maximum periods foreseen for their approval,
 - the maximum payment time for the execution of payments by the Commission,
 - where applicable, the maximum time period foreseen for acceptance of the services and release of the performance guarantee.In the event of modification of the above mentioned task(s) completion date or periods by amendment, the final date for implementation will be automatically modified.
6. Should the amount to be paid differ from the amount on the payment request drawn up by the Contractor, the Contractor shall submit a debit/credit note for the difference to the relevant Commission department.
7. In the event of late payment the Contractor may, within 2 months of receiving the payment, claim interest. Interest shall be calculated at the rate applied by the European Central Bank to its main refinancing operations plus **seven** percentage points, as published in the C series of the *Official Journal of the European Communities* on the first calendar day of the month in which the debt is due. Interest shall be calculated

from the day following the expiry of the payment deadline up to the date on which the debt is repaid in full . The suspension of the payment period by the Commission cannot be considered as late payment.

8. The Commission may suspend payment at any time in the event of failure by the Contractor to comply with the contractual obligations, and in particular following the results of the checks and audits. It shall notify the Contractor by registered letter with acknowledgement of receipt.
9. For the purpose of the payments due to him under the Contract, the Contractor shall designate a bank established in a Member State.

The payments shall be made to the Contractor's bank account, identified as follows:

Name of the bank:

Full address of the bank, including branch:

Swift Code N°:

Account N°:

10. Without prejudice to Article 19, if any of the data contained in paragraph 8 changes during the currency of this Contract, the Contractor shall request, by registered letter, that such change[s] apply to the Contract. The change[s] shall take effect on the date of the registered letter sent by the Commission confirming such change[s].
11. Should total payments made exceed the amount actually due under the Contract, or where recovery is justified following the relevant provisions of this Contract, the Contractor shall reimburse the appropriate amount in euro on receipt of the debit note, in the manner and within the time limits set by the Commission.
12. In the event of failure to pay by the deadline specified in the request for reimbursement, the sum due shall bear interest at the rate referred to in paragraph 7. The interest shall be calculated from the calendar day following the expiry of the payment deadline up to the calendar date on which the debt is repaid in full . If necessary, the Commission may recover the excess by claiming against the guarantee .
13. The Commission may, after informing the Contractor, recover established amounts by offsetting in cases where the Contractor also has a claim on the Communities that is certain, of a fixed amount and due to him. The Commission may also claim against the guarantee. The agreement of the Contractor is not required..
14. The Contractor is aware that the Commission may formally establish an amount as being receivable from persons other than States by means of a decision which shall be enforceable within the meaning of Article 256 of the EC Treaty.

[Article 5 – Financial guarantee

1. *Before the Commission makes its first payment, the Contractor shall provide a financial guarantee in the form of a bank guarantee or equivalent, supplied by a bank or an authorised financial institution (the Guarantor), equal to at least EUR [amount in figures and in words], to cover pre-financing made under the Contract.*

2. The Commission shall release the Guarantor as soon as the Contractor has shown that any pre-financing is covered by equivalent work through acceptance of the technical and administrative assistance services or approval of the interim report(s). The guarantee will be valid until the pre-financing is deducted from interim payments or payment of the balance provided for in Article 4.1.(c) to the Contractor. The release will take place in the following month. The cost for providing such guarantee shall be borne by the Contractor. ^{8 9}

Article 6 – Payment requests

The Contractor shall submit requests for payment, expressed in euros, to the Commission, as laid down in Annex II, accompanied, where required, by the following:

- (a) Financial guarantee documentation
- (b) Invoices
- (c) Statements of eligible expenses
- (d) Reports, as laid down in Article 7.

Article 7 – Reports

1. The Contractor shall draw up the following technical reports on the tasks executed under the Contract in accordance with the instructions in Annex I, and shall send [] copies of them in [specify language] to the Commission. The reports shall describe in detail *inter alia* work carried out, results obtained, and resources mobilised, and it shall assess progress on the Contract giving details of any divergences from the tasks described in Annex I.

The Contractor shall follow the details shown in Annex I as regards the structure and content of the reports.

Where applicable, the Contractor shall attach a summary table of manpower assigned to the performance of the Contract.

2. *[In the month following the end of each of the periods indicated in Annex I, the Contractor shall submit an interim technical report to the Commission for approval.]*¹⁰
3. The Contractor shall submit a final technical report to the Commission no more than [60] days after the date on which the tasks referred to in Article 1 have been

⁸ Financial guarantee for pre-financing exceeding EUR 150 000 is compulsory.

⁹ The financial guarantee may depend on the payment scheme, e.g. be equal to the amount of the pre-financing.

¹⁰ This paragraph may be omitted for short-term contracts.

completed. In addition to the information required in this Article, it shall also contain final conclusions.

4. On receiving an interim or final report, the Commission shall have [20-45-60]¹¹ days in which to:

- (a) approve it, with or without comments, reservations or requests for additional information, or
- (b) request a new report.

If the Commission does not react within this [20-45-60]-day period, the report shall be deemed to have been approved.

5. Should the Contractor be late in presenting a report, the Commission may claim a flat-rate indemnity of EUR [amount] for each day beyond the deadline. This indemnity may be deducted from the amount to be paid for the period in question.
6. Where the Commission requests a new interim or final report, it shall be submitted within [30] days of the request. Failing this, the Commission may claim the indemnity provided for in paragraph 5 for each day after the deadline until it receives the new report.

The new report shall be subject to the provisions set out in paragraph 4.

Should the Commission reject this new report and request yet another one, the Contractor shall be liable to pay the indemnity referred to in paragraph 5 for each day beyond the deadline until such time as the Commission receives a report which it approves.

Article 8 – Performance of the Contract

1. The Contractor shall perform the Contract according to the highest professional standards. The Contractor shall have sole responsibility for complying with all legal obligations incumbent on him, notably those arising from employment law, tax law and social legislation.
2. The Contractor shall perform the Contract [on] [off] Commission premises. Where the Contractor performs the Contract on Commission premises, he shall clear the office space and remove all equipment at his own cost within [time period].
3. The Contractor shall not represent the Commission and may not behave in any way that would give such an impression. The Contractor shall inform third parties that he does not belong to the European public service, but that he is exercising the tasks on behalf of the European Community.
4. The Contractor shall index and register all documents and information in his possession relating to the execution of the tasks specified in Annex I, in whatever form and on whatever medium. He shall pass them over to the Commission with the final report or, in the event of termination of the Contract under Article 18, at the commencement of the termination procedure provided for in that Article.

¹¹ 20 days for simple contracts, 60 days for contracts requiring complex technical assessments, 45 days for all other contracts.

5. *[In performing the Contract, the Contractor shall use his own professional staff with the qualifications and experience required for the execution of the tasks, without prejudice to Article 9. Any reference made to the Contractor's staff, within this Contract, refers exclusively to individuals involved in the performance of the Contract].*¹²
6. *[The Contractor shall be solely responsible for the staff who execute the tasks; they may not be given orders directly by the Commission. The Contractor shall include the following clauses in employment or service Contracts with his Staff:*
 - (a) a clause specifying that the staff executing the tasks may not be given orders directly by the Commission;*
 - (b) a clause specifying that:*
 - (i) the Commission may not under any circumstances be considered to be the employer of such staff, and*
 - (ii) the Staff undertake not to invoke against the Commission any right arising from the working relationship between the Commission and the Contractor.]]*⁷
7. *[In the event of malfunction, involving the actions of one or more members of staff, the Contractor shall replace them without delay. The Commission shall have the right to request the replacement of any member of staff, stating its reasons for doing so. The new staff shall have the qualifications specified at paragraph 5 and shall be capable of performing the Contract under the same contractual conditions. Any replacement of staff that the Contractor makes must be approved in advance by the Commission, and all expenditure incurred as a result of such replacements shall be borne by the Contractor. In order to enable the Commission to ensure that the provisions of this paragraph are complied with, the Contractor shall notify the Commission of any change of staff without delay.]]*⁷
8. The Contractor shall notify the Commission immediately, in writing, of any change in his legal, financial or economic circumstances, relating in particular to the legal form at the time of signing the Contract and the resources used to perform the Contract, and any major change in shareholders or in authorised capital.
9. *[The Contractor shall pass on the obligations provided for in the Contract in document form to his board, directors, and to all third parties involved in the performance of the Contract.]]*⁷
10. Procedure in case of unforeseen problems:

Should any event, action or omission directly or indirectly hamper execution of the tasks, either partially or totally, the Contractor shall immediately and at his own initiative register it and report it to the Commission. The report shall include a description of the problem and an indication of the date when it started. In such an event, the Contractor shall give priority to solving the problem rather than determining liability.

¹² Not applicable to cases where the Contractor is a natural person without any person working under his authority.

Article 9 - Conflict of interest, confidentiality and corruption in the performance of the Contract

1. The Contractor shall take all necessary measures in order to avoid any risk of conflict of interest, and to ensure confidentiality. Should such a conflict of interest arise, the Contractor shall notify the Commission in writing without delay. The Commission reserves the right to verify that these measures are adequate and may require that additional measures be taken if necessary. *[The Contractor shall ensure that his staff, board and directors are not placed in a situation which could give rise to conflict of interest. Without prejudice to Article 8, the Contractor shall replace, immediately and without compensation from the Commission, any member of his staff exposed to such a situation.]*⁷
2. The Contractor declares that no conflict of interest exists between his tasks under the present Contract and any of his other activities.
3. The Contractor undertakes to treat in the strictest confidence and not make use of or divulge to third parties any information or documents which are linked, directly or indirectly, to the execution of the tasks. The Contractor shall continue to be bound by this undertaking for [] years after the tasks have ended.
4. *[The Contractor shall obtain from each member of his staff, board and directors a written undertaking that they will respect the confidentiality of any information which is linked, directly or indirectly, to the execution of the tasks and that they will not divulge to third parties or use for their own benefit or that of any third party any document or information not available publicly, even after completion of the tasks. A copy of the undertaking shall be sent to the Commission.]*⁷
5. The Contractor shall abstain from any contact likely to compromise his independence.
6. The Contractor declares:
 - that he has not made, and will not make, any offer of any type whatsoever, from which an advantage can be derived,
 - 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,when such an advantage constitutes an illegal practice or involves corruption, either directly or indirectly, by being an incentive or reward related to the performance of the Contract.
7. *[The Contractor shall pass on all the relevant obligations in writing to his Staff, board, and directors as well as to third parties involved in the performance of the Contract. He shall provide the Commission with a copy of the instructions given and the undertakings made in this respect.]*⁷

Article 10 - Liability

1. The Commission shall not be liable for damage sustained by the Contractor *[or his staff, board, and directors]*⁷, in the performance of the Contract.

2. The Contractor shall be liable for any loss or damage caused by himself [*or his staff, board, and directors*],⁷ directly or indirectly, in the performance of the Contract. The Commission shall not be liable for any act or default on the part of the Contractor during the performance of the Contract.
3. The Contractor fully guarantees the Commission, and agrees to indemnify it, against any action, claim or proceeding brought by a third party against it as a result of damage caused by the Contractor in the performance of the Contract.
4. In the event of any action brought by a third party against the Commission in connection with the performance of the Contract, the Contractor shall assist the Commission.
5. In the event of any action brought by a third party against the Contractor in connection with the performance of the Contract, the Commission may assist the Contractor upon written request by the latter. The incidental costs incurred by the Commission shall be borne by the Contractor.
6. The Contractor shall take out the necessary insurance against risks and damage, notably in respect of civil and professional liability, relating to the performance of the Contract. A copy of all insurance contracts shall be sent upon request to the Commission.

Article 11 – Penalties

Should the Contractor fail to execute the tasks in accordance with the specifications given in this Contract, and in particular in Article 8 and in Annex I, the Commission may - without prejudice to its right to terminate the Contract - reduce the payment, seek reimbursement, or deduct from the financial guarantee an amount in proportion to the magnitude of the failure, up to a maximum of [15%] of the amount referred to in Article 3.

Article 12 – Assignment and sub-contracting

1. The Contractor shall not, without the prior and written authorisation of the Commission, assign the rights and obligations arising from the Contract in whole or in part, nor shall it subcontract, or cause the Contract to be performed in practice by third parties.
2. In the absence of the authorisation referred to in paragraph 1, or in the event of failure to observe the terms thereof, the assignment by the Contractor shall not be enforceable against and shall have no effect on the Commission.
3. Where the Commission authorises the Contractor to subcontract to third parties, he shall nonetheless remain bound by his obligations to the Commission under the Contract.
4. The Contractor shall make sure that, in situations such as those described in paragraph 1, the Commission enjoys the same rights and guarantees in relation to third parties as in relation to the Contractor himself.

Article 13 – Taxation

1. The Contractor shall have sole responsibility for compliance with the tax laws which apply to him.
2. The Contractor recognises that the Commission is, as a rule, exempt from all taxes and dues, including value added tax (VAT), pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities.

The Contractor shall accordingly complete the necessary formalities with the relevant authorities to ensure that the goods and services required for performance of the Contract are exempt from taxes and dues, including VAT.

3. Invoices presented by the Contractor shall specify separately the amounts exclusive of VAT and the amounts inclusive of VAT.

Article 14 – Financial management, audit and control

1. The Contractor shall perform the Contract in accordance with the principles of sound financial management.
2. *[The Contractor shall keep a separate analytical account, for which he shall be liable, to record the costs incurred in performing the Contract.]*¹³
3. The Contractor shall provide all the detailed data requested by the Commission with a view to checking that the Contract is being properly managed and performed.
4. The Contractor shall, if so requested, attend meetings organised by the Commission or by any other body acting on its behalf with a view to monitoring, supervising and assessing performance of the Contract. He shall facilitate the monitoring, supervision and assessment of such performance.
5. The Contractor shall keep at the Commission's disposal the original or, in exceptional cases, duly substantiated, authenticated copies, of all documents relating to the Contract for up to five years from the payment of the balance provided for in Article 4.1.(c).
6. The Commission may, at any time within the time limits set out in paragraph 7, arrange for an audit to be carried out, either by an outside body of its choice, or by the Commission departments themselves. The object of such an audit shall be to verify the Contractor's compliance with the Contract. The cost shall be borne by the Commission.
7. Commission audits, whether carried out by its own departments or by an outside body, may take place at any time up to five years following the payment of the balance provided for in Article 4.1.(c).

¹³ Not applicable where option 1 is chosen in Article 3.

8. In order to carry out these audits, the Commission's departments and the outside bodies concerned shall have total on-the-spot access, notably to the Contractor's offices, at all times and to all the information needed for control purposes. Where such information involves personal data, its use, distribution and publication shall be in accordance with Regulation (EC) No 45/2001 of the European Parliament and 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 data¹⁴.
9. The European Court of Auditors shall have the same rights as the Commission, notably right of access, for the purpose of checks and audits.

Article 15 – Intellectual and industrial property

1. Any results or rights, including intellectual or industrial property rights, obtained in the performance of the Contract, shall be owned by the Community, which may use them as it sees fit, subject to pre-existing rights.

The Community is hereby granted a royalty-free right of access to all supporting devices, in whatever form, developed or used by the Contractor, that are required for the use, full exploitation and further development of the results obtained through the performance of the Contract.

2. Copyright and any other right of ownership in respect of the tasks executed, and results obtained in the performance of the Contract, including the right to reproduce, adapt, translate, publish, distribute, communicate, make available to the public and sell all or part thereof in any manner and in any language regardless of form and medium, shall belong exclusively and without geographical limitation to the Community, which may transfer all or part of such rights to third parties on its own terms, subject to pre-existing rights.
3. The Contractor shall specify any part of the tasks, including illustrations, maps and graphs, on which copyright or any intellectual or industrial property right already exists and shall indicate who holds the rights. The Contractor hereby affirms that he has obtained permission to use any such parts from the holder(s) of such rights or from his (their) legal representatives, and that he is entitled to transfer the copyright or other intellectual or industrial property rights in respect of the subject matter of the Contract, save as otherwise provided in paragraph 2. Any costs for which the Contractor may become liable in respect of such permission shall be borne by him.
4. The end of the tasks shall not affect the rights and obligations provided for under this Article, which shall last for the duration of the intellectual or industrial property concerned in accordance with the relevant applicable laws.

¹⁴ OJ L 8, 12.1.2001, p. 1.

Article 16 – Use, distribution and publication of information

1. The Commission shall be entitled to use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, information relating to the Contract, in particular the identity of the Contractor, the subject matter, the duration, its financial contribution and the reports. Where such information involves personal data, use, distribution and publication shall be in accordance with Regulation (EC) No 45/2001.
2. The Commission shall not be required to distribute or publish documents or information supplied in pursuance of the Contract. If it decides not to publish the documents or information supplied, the Contractor may not have them distributed or published elsewhere without prior written authorisation from the Commission.
3. Any distribution or publication of information relating to the Contract by the Contractor shall require prior written authorisation from the Commission and shall mention in appropriate manner the Community financing and the Programme. It shall state that the opinions expressed are those of the Contractor only and do not represent the Commission's official position.
4. The use of information obtained by the Contractor in the course of the Contract for purposes other than its performance shall be subject to specific, prior written authorisation from the Commission.
5. *[The Contractor shall be required to provide, at the request of the Commission or its authorised representatives, data necessary for the review of the Community programme for which administrative and technical assistance is being carried out under the Contract.]*

Such request may be made throughout the performance of the Contract and up to five years after the payment of the balance provided for in Article 4.1.(c).]

Article 17 – Force majeure

1. *Force majeure* shall mean any unforeseeable and exceptional event affecting the Contract, which is beyond the control of the contracting parties and cannot be overcome despite their best efforts.
2. If either of the contracting parties is subject to *force majeure* liable to affect the fulfilment of his contractual obligations, he shall notify the other party without delay, stating the nature, likely duration and foreseeable effects.
3. Neither contracting party shall be considered to be in breach of his/its contractual obligations if he has been prevented from complying by *force majeure*. Where the Contractor cannot fulfil his contractual obligations owing to *force majeure*, he shall only have the right to remuneration for tasks actually executed.
4. The contracting parties shall take the necessary measures to reduce damage to a minimum.

Article 18 – Termination

1. Termination by either party

Either contracting party may terminate the Contract at any time by giving [... months'] notice.

2. Termination by the Commission

The Commission may terminate the Contract without notice in the following circumstances:

- (a) where a change in the Contractor's legal, financial, technical or organisational situation could have a significant effect on performance of the Contract;
- (b) where performance of the Contract has not effectively commenced within three months of [the payment of the pre-financing] [the signature of the Contract], and the new date proposed, if any, is considered unacceptable by the Commission;
- (c) where the Contractor has failed to fulfil any of his obligations under the Contract;
- (d) where the Contractor or any person under his responsibility has been found guilty by the competent bodies of serious professional misconduct;
- (e) in the case of force majeure, notified in accordance with Article 17;
- (f) where the Contractor is declared bankrupt, is wound up, has ceased trading, has been wound up by court order or is in composition with his creditors entailing suspension of business, is in receivership or is in any other comparable situation provided for by the laws or regulations of his country;
- (g) where the Contractor has made false, incomplete or incorrect statements or has failed to provide information in attempting to obtain the Contract or any benefit resulting therefrom, or where this was the effect of his action;
- (h) in the event of fraud or serious financial irregularity.

3. Termination procedures

The termination procedures shall be initiated by registered letter with acknowledgement of receipt.

Where prior notice is not required, termination shall take effect from the day after the day on which the letter terminating the Contract is received.

Where prior notice is required, termination shall take effect at the end of the period specified, which shall start to run on the date on which the letter terminating the Contract is received.

4. Consequences of termination

On receipt of the letter terminating the Contract or on dispatch of his letter of termination, as the case may be, the Contractor shall complete the tasks begun on the best basis possible. He shall take all appropriate measures to minimise costs, prevent damage, and cancel or reduce his commitments. He shall draw up a final report, an

invoice [*and a statement of eligible expenses*] for the tasks carried out up to the date on which termination takes effect, within a period not exceeding [] days from that date.

The Contractor shall be entitled to remuneration for the tasks carried out in accordance with Annex I to the Contract and accepted by the Commission. However, in case of termination on the grounds set out in points (b), (c), (d), (g), or (h) under heading 2, the Commission may recover any sum paid to the Contractor under the Contract.

Article 19 – Amendments

Any amendment to this Contract shall be the subject of a written agreement concluded by the authorised representatives of the contracting parties. An oral agreement shall not be binding on the contracting parties.

Article 20 – Correspondence

1. The reports referred to in Article 7 and, as a general rule, all correspondence relating to the Contract - with the exception of financial information - shall be sent to the following addresses:

a) Commission:

European Commission
Directorate General []
Unit []
200 rue de la Loi
B-1049 Brussels

b) Contractor:

Mr/Ms (authorised representative)
[Function]
[Company name]
[Full official address]

2. The Contractor shall send financial information, including requests for payment, which shall bear the reference number of the Contract, to the following address:

European Commission
Directorate General []
Unit []
200 rue de la Loi
B-1049 Brussels

Article 21 – Applicable law and settlement of disputes

Any dispute between the parties resulting from the interpretation or application of this Contract which it has not been possible to settle amicably shall be submitted to the courts for the place where the Contractor is domiciled.

The Contract shall be governed by the national substantive law of the competent court.

Article 22 – Annexes

1. The following annexes are an integral part of the Contract:

- I - Technical specifications and monitoring.
- II - Financial specifications.

2. The terms of the Contract shall take precedence over those of the annexes.

Article 23 – Revision of prices

Prices shall be fixed and not subject to revision for the orders issued during the first year of duration of the contract.

From the beginning of the second year of performance of the contract, prices may be partially revised (80%) upwards or downwards each year, where such revision is requested by one of the contracting parties by registered letter received by the Commission no later than three months before the anniversary of the date on which the framework contract was signed. Orders are issued on the basis of prices in force at the moment of their signature. Such prices are not subject to revision.

This revision shall be determined by the trend in the [harmonised] consumer price index [fill] in its first publication edited by [the Office for Official Publications of the European Communities in the Eurostat monthly bulletin (Theme 2 - Economy and Finance, Collection Detailed tables, Money, finance and the euro: Statistics)].

Revision shall be calculated in accordance with the following formula:

$$Pr = Po (0,2 + 0,8 \frac{Ir}{Io})$$

where:

Pr = revised price;

Po = price in the original tender;

Io = index for the month [in which the validity of the tender expires] [final date for submission of offers];

Ir = index for the month [corresponding to the date of receipt of the letter requesting a revision of prices] or [in which the adapted prices take effect].

Article 24 – Procedures for implementing the framework contract

1. Order form

Whenever a Commission wishes goods to be supplied in accordance with Article 1, it shall send an order form to the Contractor specifying the terms, including the price, time allowed for delivery, place of delivery, etc...

2. Acceptance

Within five working days of the order form being sent by the Commission, the Contractor shall return a copy, duly signed and dated, thereby acknowledging receipt of the order and acceptance of the terms.

Done at Brussels, [date]

For the Contractor,
[Company name/forename/surname/function]

signature(s): _____

For the Commission,
[Department/forename/surname/function]

signature: _____

In duplicate in [language].]

ANNEX I: TECHNICAL SPECIFICATIONS AND MONITORING*

The purpose of this Annex is to enable the Commission to conduct, throughout the Contract, an exact appraisal of whether the Contractor is executing the tasks in conformity with the content of the Contract.

- (a) The technical specifications consist of the bid by the Contractor accepted by the Commission on the basis of the call for tenders.
- (b) So that the Commission can regularly identify the progress made in executing the tasks, in accordance with the technical specifications, appropriate monitoring, assessment, and supervisory procedures shall be set up. For these purposes, this Annex shall include all necessary details, in particular the following:
 - (i) Schedule of interim reports – Terms of approval, structure, and content of reports.
 - (ii) Schedule of audits to be carried out in accordance with Article 14 (6) and (7) of this Contract.

* The following instructions are to be followed and are not to be published.

ANNEX II: FINANCIAL SPECIFICATIONS

This Annex, which enables the Contractor to claim for fees and eligible expenses, is applicable where Article 3(2) of the Contract is opted for.

The financial specifications shall include a breakdown of the amount to be paid under Article 3 of the Contract, in terms of category of payment.

Article 1 - Fees in remuneration for work done

Remuneration for work done is calculated in accordance with the terms set out in point (a) of Annex I.

Article 2 - Eligible expenses

1. General remarks

- (a) Eligible expenses expressed in a currency other than the euro shall be converted into euros using the conversion rate for cost statements and payments published by the Commission for budget execution¹⁵ and valid for the first working day of the month in which the expenses are incurred.
- (b) Exchange gains or losses occurring between the drawing-up of a statement of eligible expenses by the Contractor and receipt of the corresponding payment shall not be taken into account.
- (c) The statement of eligible expenses referred to in Article 4 of the Contract shall contain a detailed listing of invoices relating to each eligible expense mentioned in the statement.

2. Allowances

Travel expenses

Travel expenses shall be reimbursed in accordance with the following rules:

- (a) Travel by air shall be reimbursed up to the maximum cost of an economy class ticket at the time of the reservation.
- (b) Travel by boat or rail shall be reimbursed up to the maximum cost of a first class ticket.

¹⁵ Available from the Information Offices of the Commission or Directorate General Budget, or on the Internet <http://europa.eu.int/comm/budget/inforeuro/en/index.htm>

- (c) Travel by car shall be reimbursed at the rate of one first class rail ticket for the same journey and on the same day.
- (d) Travel outside Community territory shall be reimbursed provided that the Commission has given its prior written agreement.

Daily subsistence allowance

- (a) For journeys of less than 200 km (return trip) no subsistence allowance is payable.
- (b) Daily subsistence allowance shall be payable only on receipt of a supporting document proving that the person concerned was present at the place of destination.
- (c) Daily subsistence allowance shall take the form of a flat-rate payment to cover all subsistence expenses, including accommodation, meals, local transport, insurance and sundries.
- (d) Daily subsistence allowance shall be EUR [amount in figures and in words].¹⁶

3. Equipment and consumables

- (a) Equipment may be purchased in order to execute the tasks subject to this Contract. Where the equipment is purchased, the eligible expenses shall be calculated according to the following formula:

$$A/B \times C$$

A = duration of the execution of the tasks according to Article 2 of the Contract, expressed in months.

B = the depreciation period for the equipment: 36 months for computer equipment costing less than €25 000, or 60 months for other equipment.

C = the invoiced cost of the equipment.

- (b) Equipment may be hired in order to execute the tasks subject to this Contract. The cost for the hire may be claimed as an eligible expense.
- (c) Costs relating to consumables, including software licences, that are necessary for the execution of the tasks, may be claimed as eligible expenses.

¹⁶ The same as the daily subsistence allowance in force for Brussels and Luxembourg Community officials of grades A4-A8 on mission.