

APPENDIX 2

CONTRACTUAL TERMS AND CONDITIONS

1. Contractor is neither an employee nor a staff member of the General Secretariat of the Organization of American States (GS/OAS) and is not entitled to any of the rights, benefits, and emoluments of GS/OAS staff members.
2. Contractor undertakes to perform Contractor's functions under this Contract and to regulate Contractor's conduct in conformity with the nature, purposes, and interests of the GS/OAS. Contractor shall complete the Work in accordance with the highest professional standards and shall conform to all governmental pertinent laws and regulations.
3. Contractor accepts full legal responsibility for the Work, including all liability for any damages or claims arising from it, and agrees to hold GS/OAS and its staff members harmless from all such damages or claims. Contractor shall provide certificates of insurance coverage as GS/OAS may require for proof of ability to cover such liability.

3.1 Mistakes:

Contractor shall be liable for improper or incorrect use of the data collected or information disclosed to Contractor by GS/OAS in connection with its Proposal, and/or in connection with any subsequent contract negotiations between GS/OAS and the Contractor.

The data and related information are legal documents and are intended to be used as such.

Contractor takes full responsibility for any errors or mistakes with respect to its bid proposal. Contractor has used its best efforts to ensure the accuracy, reliability and completeness of its proposal, and agrees that any cost of any modification of proposal or contract terms based on Contractor's error in the information it has provided with its proposal shall be borne solely by Contractor.

3.2 Indemnification to Third Parties for Contractor's Negligent or Wrongful Acts:

Contractor shall fully indemnify and hold harmless the Organization of American States, GS/OAS, and its officials, employees, agents, affiliates, successors and assigns from and against: (i) all claims, damages, actions, liabilities, losses, fines and penalties, and expenses, including but not limited to attorneys' fees, arising out of or resulting from Contractor's negligence or deliberate wrongful acts in relation to the Contract, and (ii) worker compensation claims and actions presented by Contractor's employees and agents.

GS/OAS shall notify Contractor as soon as reasonably practicable after any claim covered by this Section is made against it or, with respect to any such claim made against any other person or identity entitled to indemnification under the Contract, within a reasonably practicable time after having been notified of that claim.

Contractor is liable to GS/OAS and shall indemnify GS/OAS for losses to GS/OAS' property sustained through any acts committed by Contractor's employees, agents, and/or subcontractors acting alone or in collusion. Such acts include, but are not limited to, actual destruction, disappearance, or wrongful abstraction of property, money, or securities.

The provisions of this Section shall not be so construed as to affect any waiver of subrogation rights on the part of any insurance company, as provided in any policy of insurance covering GS/OAS.

3.3 Insurance:

For the duration of the Contract, Contractor shall purchase and maintain in a company or companies, to which the GS/OAS has no reasonable objection, such insurance as will protect the Contractor, the GS/OAS, and the OAS, from claims set forth below, which may arise from

operations under this Contract by Contractor or by a subcontractor of Contractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable. Contractor is required to carry insurance with limits equal to or greater than those set forth in the table below:

Commercial General Liability	\$1,000,000 Personal/Bodily Injury.
	\$1,000,000 Each Occurrence.
	\$2,000,000 Products/Completed Operations Aggregate.
	\$2,000,000 General Aggregate, per premises aggregate.
Business Automobile	\$1,000,000 Each Accident.
Worker's Compensation	Statutory Limits or \$500,000, whichever is greater, based on the benefits levels of the deemed state of hire.
Employer's Liability	\$1,000,000 Bodily Injury by Accident Per Employee.
	\$1,000,000 Bodily Injury by Disease Per Employee.
	\$1,000,000 Bodily Injury by Disease Policy Limit.
Umbrella/Excess Liability	\$5,000,000 Each Occurrence.
	\$5,000,000 Aggregate, per Project.

Contractor shall name the GS/OAS as an additional insured under such policies, and shall provide the GS/OAS with a certificate evidencing the above insurance coverage.

Should any of the above described insurance policies be cancelled before the expiration date indicated in the respective certificate provided to the GS/OAS, the Contractor shall give to the GS/OAS written notice and provide a new certificate of insurance that evidences the insurance policy required.

Contractor shall require all subcontractors to have insurance having the same or similar coverage as that specified above. Contractor is required to provide GS/OAS with proof of those insurance policies on request.

Contractor's liability insurance shall include contractual liability insurance sufficient to cover Contractor's obligations under this paragraph.

3.4 Subcontractors:

The Contractor may enter into a contract or contractual action for the purpose of obtaining supplies, materials, equipment, or services under the Contract.

GS/OAS' written consent is required for the Contractor to enter into a particular subcontract. Contractor is fully responsible for Contract performance, regardless of any team arrangement

between the Contractor and its Subcontractors

4. Contractor does not legally represent GS/OAS, shall not hold himself out as having such powers of representation, and shall not sign commitments binding GS/OAS.
5. Contractor shall not have any title, copyright, patent, or other proprietary rights in any Work furnished under this Contract. All such rights shall lie with GS/OAS. At the request of GS/OAS, the Contractor shall assist in securing the intellectual property rights produced under this Contract and in transferring them to GS/OAS.
6. All information (including files, documents, and electronic data, regardless of the media it is in) belonging to GS/OAS and used by Contractor in the performance of this Contract shall remain the property of GS/OAS. Unless otherwise provided in the Terms of Reference (Appendix I), Contractor shall not retain such information, and copies thereof beyond the termination date of this Contract, and Contractor shall not use such information for any purpose other than for completion of the Work.
7. Contractor certifies that he has read and agrees to comply fully with the following documents: Administrative Memorandum No. 120 "Information Security Policy", <http://www.oas.org/legal/english/admmem/admmem120.pdf>, Executive Order No. 15-02 "Policy and Conflict Resolution System for Prevention and Elimination of All Forms of Workplace Harassment" <http://www.oas.org/legal/english/gensec/EXOR1502.htm>, and Executive Order No. 12-03 "Code of Ethics of the General Secretariat" <http://www.oas.org/legal/spanish/gensec/EXOR1203.htm>.
8. The Gross Compensation paid Contractor constitutes full consideration for the Work. It covers all fees, expenses, and costs incurred by Contractor in providing the Work, as well as Contractor's direct compensation for same.
9. Because Contractor is an independent contractor, GS/OAS is not responsible for providing social security, workmen's compensation, health, accident and life insurance, vacation leave, sick leave, or any other such emoluments for Contractor and his employees under this Contract. Contractor is solely responsible for providing those benefits, and the Parties have agreed upon the Gross Compensation hereunder to enable Contractor to satisfy that responsibility. At the request of GS/OAS, the Contractor will provide satisfactory evidence of workman's compensation and other insurance coverage that may be required for all its employees or such Contractors.
10. Contractor warrants that his performance of the Work will not violate applicable immigration laws, and Contractor shall not employ any person for the performance of this Contract where such employment would violate those laws.
11. Unless otherwise specified in this Contract, Contractor shall have the sole responsibility for making Contractor's travel, visa, and/or customs arrangements related to and/or required for the performance of this Contract, and GS/OAS shall have no responsibility for making or securing such arrangements.
12. This Contract shall be null and void in the event the Contractor is unable to obtain a valid visa and other permits or licenses necessary to complete the Work in the country where the Contract is to be performed.
13. Unless otherwise specified in this Contract, Contractor shall neither seek nor accept instructions regarding the Work from any government or from any authority external to the GS/OAS. During the period of this Contract, Contractor may not engage in any activity that is incompatible with the discharge of Contractor's obligations under this Contract. Contractor must exercise the utmost discretion in all matters of official business for GS/OAS. Contractor may not communicate at any time to any other person, government, or authority external to GS/OAS any information known to him by reason of his association with GS/OAS which has not been made public, except in the course of the performance of Contractor's obligations under this Contract or by written

authorization of the Secretary General or his designate; nor shall Contractor at any time use such information to private advantage. These obligations do not lapse upon Contract termination. Failure to comply with these obligations is cause for termination of this Contract.

14. Unless specifically provided for in this Contract¹ in accordance with CPR Rule 5.13.1, the Contractor may not directly supervise a GS/OAS staff member or direct a project or mission that requires the Contractor to supervise GS/OAS staff members.
15. Contractor shall not openly participate in campaign activities for or otherwise openly support and or promote any candidate for elected positions in the OAS; nor shall Contractor use the facilities of the GS/OAS and/or its staff provided to him under this Contract to support and promote the candidacy of any candidate for an elected position in the OAS.
16. GS/OAS may terminate this Contract for cause with five days' notice in writing to the Contractor. Causes include, but is not limited to: failure to complete the Work in accordance with professional standards or to otherwise deliver conforming goods and services; failure to meet deadlines; conduct which damages or could damage relations between the OAS and a member state; fraudulent misrepresentation; criminal indictment; sexual harassment; workplace harassment; bankruptcy; conduct incommensurate with the requirements for participation in OAS activities; and breach of any of the provisions of this Contract.
17. Either party may terminate this Contract for unforeseen circumstances by giving at least thirty days' notice in writing to the other. Unforeseen circumstances include, but are not limited to, modifications to the Program-Budget of the OAS; lack of approved funds in the OAS Program-Budget for the corresponding program or project; failure of a donor to provide fully the specific funds which were to finance this Contract; an act of God; and the Secretary General's or a member state's desire to discontinue the Work.
18. In the event this Contract is terminated with or without cause, Contractor shall submit to GS/OAS all of the Work completed and shall receive payment for only that portion of the Work completed to the satisfaction of GS/OAS up until the date of termination.
19. Contractor certifies that:
 - a) Neither the Contractor nor any of its senior officers and employees, on the date of the signing of this Contract, is a relative of any GS/OAS staff member above the P-3 level or of a representative or delegate to the OAS from an OAS Member State. The term "relative" includes spouse, son or daughter, stepson or stepdaughter, father or mother, stepfather or stepmother, brother or sister, half-brother or half-sister, stepbrother or stepsister, father or mother-in-law, son or daughter-in-law, brother or sister-in-law.
 - b) He is not incompetent to enter into this Contract, is not on trial in a criminal court of any of the member states, and has never been convicted of a felony or of any crime involving dishonesty, fraud or theft in any member state.
 - c) Completion of the Work shall not interfere with the completion of work for which he is responsible under any other contract with GS/OAS.
20. Contractor shall not employ a staff member of GS/OAS or a relative of a staff member as defined in Paragraph 19 (a) above to perform the Work, nor shall Contractor permit any staff member of GS/OAS or any relative of the staff member, as defined in that Paragraph, to receive any personal financial benefit deriving from this Contract or the Contractor's contractual relationship with GS/OAS.
21. Contractor shall not assign this Contract or any element thereof, without the prior written consent

¹ Any such provision must comply with the requirements of CPR Rule 5.13.1 in Executive Order No. 05-04, Corr. No. 1 at <http://www.oas.org/legal/english/gensec/EXOR0504CORR1.doc>.

of GS/OAS.

22. Upon written notice by either Party to the other, any dispute between the Parties arising out of this Contract may be submitted to either the Inter-American Commercial Arbitration Commission or the American Arbitration Association, for final and binding arbitration in accordance with the selected entity's rules. The law applicable to the Arbitration proceedings shall be the law of the District of Columbia, USA, and the language of the arbitration shall be English.
23. Nothing in the Contract shall constitute an express or implied waiver by GS/OAS, the OAS, or their personnel of its privileges and immunities under the laws of the United States of America or international law.
24. Contractor is not entitled to any of the exemptions, privileges or immunities, which the GS/OAS may enjoy arising from GS/OAS status as a public international organization.
25. This Contract shall enter into effect on the date on which it is signed by both Parties. Provided, further, that this Contract shall have no legal effect until it has been signed by both Contractor and a duly authorized representative of the GS/OAS.
26. The law applicable to this Contract is the law of the District of Columbia, USA.
27. This Contract, including Appendixes 1-5, constitutes the entire agreement between the Parties, and any representation, inducement, or other statements not expressly contained herein shall not be binding on the Parties and shall have no legal effect.
28. The masculine terms employed in this Contract should be understood to apply to males, females and legal persons; singular pronouns should be understood to apply to the plural, when appropriate.