

First Session Agenda item 19 C-I/DEC/5 14 May 1997 Original: ENGLISH

DECISION

(PRELIMINARY) TENANCY AGREEMENT AND RELATED UNDERSTANDINGS AND SUPPLEMENTARY UNDERSTANDINGS

The Conference

Recalling that, in relation to the Host Country's undertaking, in the Paris Resolution, Annex 3, paragraph 6, to make available a new purpose-built office building, the Commission:

- (a) adopted the Consolidated Programme of Requirements (PC-VI/22, paragraph 5.4);
- (b) selected the developer Provastgoed Nederland B.V. (Peace Building Catsheuvel B.V) (PC-XIII/HC/7), and selected the design by Architects Kallman, McKinnell and Wood Inc. (PC-IX/11, paragraph 9.3(a) and PC-X/23, paragraph 9.2);
- (c) concluded with the Host Country the Understandings concerning the Implementation of Paragraphs 6, 7, 9 and 11 of Annex 3 of the Paris Resolution ("Understandings") (PC-IX/11, paragraph 9.3(b) and PC-X/23, paragraph 9.3) setting out, inter alia, the legal and financial arrangements for the building; and
- (d) concluded with the Host Country the Supplementary Understandings relating to the Preliminary Tenancy Agreement for the new purpose-built office building ("Supplementary Understandings") (PC-XI/11, paragraph 9.6, PC-XII/HC/7, paragraph 2.1 and PC-XII/17, paragraph 10).

Recalling further that the Commission noted in PC-XIII/18, paragraph 9.2(a) and (b), that the Committee on Relations with the Host Country, in accordance with the authority delegated to it by the Commission in PC-X/23, paragraph 9.6(c), having considered the Draft (Preliminary) Tenancy Agreement, attached to PC-XIII/HC/6, and having reviewed the Draft Development and Realisation Agreement and Associated Draft Exchange of Letters, PC-XIII/HC/5, Attachments 1 and 2, had decided ,in PC/XIII/HC/8, paragraph 2.5, to approve the Draft (Preliminary) Tenancy Agreement as contained in PC XIII/HC/6 and to

approve the Draft (Preliminary) Tenancy Agreement, as contained in PC-XIII/HC/6, and to authorise the Executive Secretary to sign the said agreement on behalf of the Commission at

C-I/DEC/5 page 2

the same time that the Development and Realisation Agreement between the Host Country and the developer was signed and the associated side letters were exchanged,

Recalling further that the Commission in PC-XIII/18, paragraph 9.3, decided to forward the (Preliminary) Tenancy Agreement to the Conference of the States Parties for confirmation at its First Session (the final signed version of which is contained in PC-XIV/6),

Recalling further that if the Conference at its First Session does not confirm the (Preliminary) Tenancy Agreement, paragraph 5 of the Supplementary Understandings, PC-XI/17, Annex 1, becomes operative,

Recalling further that the Commission in PC-XVI/36, paragraph 7.3, decided to recommend to the Conference that the Director-General conclude with Paagman B.V. a contract for the supply of office furniture and related equipment required for the new OPCW building on the basis of the principles and guidelines, as contained in PC-XVI/HC/3, Attachment 1,

Bearing in mind that the Commission recommended in paragraph 35.7 of its Final Report that the Conference confirm the above-mentioned Draft (Preliminary) Tenancy Agreement and request the Director-General to sign the said agreement; that the Conference confirm the above-mentioned Understandings and Supplementary Understandings; and that the Conference request the Director-General to conclude with Paagman B.V. a contract for the supply of office furniture and related equipment required for the new OPCW building, on the basis of the principles and guidelines contained in Attachment 1 to PC-XVI/HC/3,

Hereby:

- 1. **Confirms** the (Preliminary) Tenancy Agreement annexed hereto;
- 2. **Confirms** the Understandings and Supplementary Understandings annexed hereto;
- **3**. **Requests** the Director-General to sign the (Preliminary) Tenancy Agreement, after which time it shall be known as the "Tenancy Agreement"; and.
- 4. **Requests** the Director-General to conclude with Paagman B.V. a contract for the supply of office furniture and related equipment required for the new OPCW building, on the basis of the principles and guidelines annexed hereto.

Annexes

(PRELIMINARY) TENANCY AGREEMENT

The undersigned:

Peace Building Catsheuvel B.V., a joint venture established by Provastgoed Nederland B.V. and Hillen & Roosen B.V., hereinafter referred to as "the Lessor" registered in the Trade Register of The Hague under file number 155347, having its legal address at: Tournooiveld 4, 2511 CX The Hague, represented by Ir. F.D. van der Weide for Provastgoed Nederland B.V. and Drs. H.C. de Lint for Hillen en Roosen B.V.;

and

the Organisation for the Prohibition of Chemical Weapons, "the Lessee," hereinafter referred to as "OPCW", Laan van Meerdervoort 51, 2517 AE The Hague. For the purposes of this agreement, the OPCW is represented by the Preparatory Commission for the OPCW through its Executive Secretary;

have agreed to the following:

Definitions

In this agreement the following definitions are used:

Conference of the States Parties	The principal organ of the OPCW;
Leased Premises	The land and the new OPCW purpose-built office building built at the Catsheuvel site, Johan de Wittlaan between 30 and 34 in The Hague, registered at the Municipality of The Hague, section N, nrs. 8015 (in part) and 8016 (in part);
Ground Lease	The ground lease (<u>erfpacht</u>) for the Catsheuvel site, granted by the Municipality of The Hague to the Lessor;
Development and Realisation Agreement	Agreement concluded between the Lessor and the OPCW Foundation for the construction and acceptance of the Leased Premises;
Date on which the Leased Premises are available for use	The date on which the Leased Premises are accepted in accordance with the procedure set out in Article 9 of the Development and Realisation Agreement;

Special OPCW Requirements

Requirements especially fitted for the OPCW, to be developed and realised as a part of the Project under the Development and Realisation Agreement.

Premises, Purpose, Use

- **1.1** This agreement relates to the Leased Premises.
- **1.2** The OPCW will use the Leased Premises exclusively as office space and related auxiliary areas, such as office storage, reception areas, archives, conference facilities and commissary. The use shall be in accordance with the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction of 13 January 1993.
- **1.3** Without the Lessor's prior written approval, the OPCW shall not be permitted to give the Leased Premises a purpose other than defined in Section 1.2 above.
- **1.4** The maximum permissible load on the floor(s) of the Leased Premises is 4 KN/m2 and for certain specified areas 10 or 15 KN/m2.
- **1.5** The OPCW shall observe the terms and conditions with respect to the Ground Lease in accordance with Section 2.2 below.

Terms and Conditions

- **2.1** The general conditions, annexed to this agreement as Annex 1 and hereinafter referred to as "the General Conditions", are an integral part of this agreement.
- **2.2** The terms and conditions with respect to the Ground Lease are annexed to this agreement as Annex 2 and are an integral part of this agreement. No changes or amendment to Annex 2 affecting in any way the use of the Leased Premises by the OPCW shall be carried out without the prior approval of the OPCW. The right of the OPCW to use the Catsheuvel site for the Leased Premises includes the right to control access to the underground mains.

Term, Extension and Termination of the Lease

- **3.1** This agreement shall enter into force as soon as it has been confirmed in full by the Conference of the States Parties at its First Session following the recommendation of the Preparatory Commission for the OPCW and shall terminate after a period of 15 years from the date on which the Leased Premises are available for use. Confirmation shall be transmitted in writing to the Lessor by the Director-General of the Technical Secretariat of the OPCW.
- **3.2** After expiry of the period referred to in Section 3.1 above this agreement shall be automatically renewed under the same terms and conditions for consecutive periods in each case of 5 years.

- **3.3** This agreement shall be terminated by notice given at the end of a lease period subject to a notice period of at least 12 months. Such notice can only be given in writing by the OPCW.
- **3.4** If the OPCW ceases to exist, this agreement shall be terminated upon 12 months written notice. This termination shall be formally established through the arbitral tribunal in accordance with Section 11 below, unless appropriate arrangements are agreed between the Parties.

Early Termination, Default

- **4.1** If either Party believes that a serious breach of the terms of the agreement has occurred it shall notify the other Party thereof and of the measures it considers necessary to rectify the situation. If the other Party has not, within one month of such notice, taken adequate measures to rectify the situation, the aggrieved party shall have the right to request the arbitral tribunal as provided for in Section 11 below to terminate this agreement prematurely. Should the arbitral tribunal decide that this agreement is to be terminated, the date of such termination shall be the date of the arbitral award or four months after the request for an arbitral award, whichever is earlier.
- **4.2** In the event of a situation as mentioned in Section 4.1 above, the arbitrators shall determine the amount of damages to be awarded to the injured party.
- **4.3** The provisions of Sections 4.1 and 4.2 above shall not exclude the Parties' exercise of their other rights.

Payment Obligations and Payment Term

- **5.1** The OPCW shall pay the following sums:
 - the rent
 - the VAT payable on the rent, subject to the provisions of Section 6.3 below.
- **5.2** The rent will amount to an annual sum of Dfl. 5,249,710,-- (five million two hundred and forty-nine thousand seven hundred and ten Dutch guilders) consisting of the annual rent amounting to Dfl. 4,055,310.-- (four million fifty five thousand three hundred and ten Dutch guilders) and a ten-year annuity amounting to Dfl. 1,194,400 (one million one hundred and ninety-four thousand four hundred Dutch guilders) relating to the interest and amortisation of the Special OPCW Requirements financed by the Lessor and specified in Annex 5 to this agreement plus
 - (a) an increase, resulting from additional orders for construction, given in accordance with the Development and Realisation Agreement. The additional orders for construction which have already been given and approved are specified in Annex 4;
 - (b) an increase, resulting from additional orders for Special OPCW Requirements given in accordance with the Development and Realisation Agreement. The

> Special OPCW Requirements for which such orders have already been given and approved are specified in Annex 5.

The total expenses referred to in this Section shall not exceed an amount of Dfl. 5,700,000,-- (five million seven hundred thousand Dutch guilders) per year, indexed to 1997 price levels.

- **5.3** After the first ten years of the rental period, the rent shall be reduced by the ten-year annuity amounting to Dfl. 1,194,400,-- (one million one hundred and ninety-four thousand four hundred Dutch guilders) plus the amount of the increase referred to in Section 5.2(b) above, provided that the OPCW has fulfilled all financial obligations under this agreement.
- **5.4** The rent will be adjusted for the first time six months after the date on which the Leased Premises are available for use and thereafter annually in accordance with 4.1 to 4.3 of the General Conditions. The ten-year annuity amounting to Dfl. 1,194,400 (one million one hundred and ninety-four thousand four hundred Dutch guilders) and the amount of the increase referred to in Section 5.2(b) above are both excluded from this indexation. The indexation will be charged at:

100% of the amount of the first 4% of indexation, plus 50% of the amount between 4% up to and including 6% indexation. 0% of any amount over 6% indexation.

- **5.5** Six months before every renewal of this agreement in terms of Section 3.2 above, the Parties shall, at the request of either Party, enter into discussions in order to reach agreement on the adjustment of the rent to market rates. If no agreement can be reached within two months, the matter will be dealt with in accordance with the provisions of Section 4.6 of the General Conditions.
- **5.6** The payments to be made by the OPCW to the Lessor shall be payable in a lump sum in advance in quarterly payment terms equal to one quarter of the rent and must be paid in full before or on the first day of the calendar quarter to which the payment applies.
- **5.7** If the date on which the Leased Premises are available for use is not the first day of a calendar quarter, the payment to be made by the OPCW in respect of that calendar quarter shall be pro rata to the regular quarterly payment.
- **5.8** The OPCW shall never, under any circumstances, have to pay any compensation whatsoever to the Lessor for the Ground Lease of the Catsheuvel site.

Belasting Toegevoegde Waarde (VAT - Value-Added Tax)

- 6.1 All amounts mentioned in this agreement are exclusive of VAT.
- **6.2** Despite the OPCW's exemption from all forms of taxation, whether levied by national, provincial or local authorities, in accordance with the Agreement between the OPCW and the Kingdom of the Netherlands concerning the Headquarters of the

OPCW, the Parties agree that the Lessor will charge VAT on the rent to the OPCW. Therefore, the Lessor shall file an application for opting for taxed lease with the competent authorities of the Kingdom of the Netherlands. The OPCW shall cooperate with all formalities of this application.

6.3 The granting of the application referred to in Section 6.2 above shall be a precondition for the entry into force of this agreement.

Administrator

7. Until the Lessor notifies otherwise, the administrator shall be the Lessor.

Amendments

8. The provisions of this agreement and Annex 1 may be amended or supplemented only by means of a supplementary agreement signed by both Parties or their authorised representatives. Annexes 3, 4, 5 and 6 may be amended or supplemented only by mutual agreement, confirmed in writing, between the Parties.

Authentic Version

9. This agreement and its annexes, except Annex 2, have been drafted in English as the single valid version.

Headquarters Agreement

10. This agreement shall fully respect all relevant provisions of the Agreement between the OPCW and the Kingdom of the Netherlands concerning the Headquarters of the OPCW.

Settlement of Disputes

- **11.1** Without prejudice to Section 10 above, if any dispute arises between the Parties as to the interpretation, application or performance of this agreement, including its existence, validity or termination, which cannot be settled amicably between the Parties, either Party may submit the dispute to final and binding arbitration in accordance with the UNCITRAL Arbitration Rules, as in force on the date of signature of this agreement. The Parties herewith in advance accept the jurisdiction of the arbitral tribunal in respect of such disputes.
- **11.2** The number of arbitrators shall be three. Each Party shall appoint one arbitrator, who shall be residing in the Netherlands, within fourteen days after a Party has received the request to that effect from the other Party. If a Party fails to appoint an arbitrator in time, this arbitrator shall be appointed by the appointing authority. The third arbitrator, who shall have good knowledge of international law and the laws of the Netherlands, shall be appointed by the appointing authority and shall act as chairman of the arbitrat tribunal.

- **11.3** The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration.
- **11.4** The place of arbitration shall be The Hague. The International Bureau of the Permanent Court of Arbitration shall serve as Registrar, and shall provide such administrative services as the arbitral tribunal shall direct.
- **11.5** The language to be used in the arbitral proceedings shall be English.
- **11.6** The arbitral tribunal shall be guided by the laws of the Netherlands.
- **11.7** Unless otherwise provided for in this Agreement, the arbitral tribunal shall endeavour to render an arbitral award no later than four months after the request for an arbitral award has been made. Any arbitral award shall be final and binding upon the Parties. The Party ruled against shall comply with the arbitral award without delay.

Sale and Transfer

- **12.1** If the Lessor wishes to sell the Leased Premises, he shall notify the OPCW in writing without delay. The Lessor and the OPCW shall negotiate the possible purchase of the Leased Premises by the OPCW during two months after such notice is given, unless the Parties agree to extend this period. If the Parties cannot reach a binding agreement on the sale within this period, or the extended period, the Lessor shall be authorised to sell the Leased Premises to a third party under the conditions set out in Sections 12.2 and 12.3 below.
- **12.2** (a) Sale of the Leased Premises to a third party can only take place after written approval of the identity of the intended purchaser is obtained from the OPCW. The Lessor shall give written notice to the OPCW of the identity of the intended purchaser. The approval of the OPCW can be withheld only if the OPCW has reasonable grounds to doubt the purchaser's good faith. The OPCW shall give written and reasoned notice to the Lessor of its intention to refuse permission within 30 days after receipt of the notice of the Lessor. Any dispute regarding the provisions of this paragraph shall be settled in accordance with the dispute settlement procedure provided in Section 11 above and the arbitrators shall do their utmost to render an arbitral award within one month after the appointment of the third arbitrator.
 - (b) The Lessor shall not transfer rights from this agreement, either totally or in part, to a third party, or substitute another as Party to this agreement if such transfer or substitution would result in the OPCW not being in a position to exercise its rights in accordance with Section 12.2(a) above.
- **12.3** Any sale of the Leased Premises shall not affect this agreement. The successor shall be bound by this agreement in the same way as a right <u>in rem</u>.

Annexes

13. All annexes to this agreement are an integral part of it. The annexes are :

Annex 1	-	General Conditions for the (Preliminary) Tenancy Agreement.
Annex 2	-	Terms and conditions with respect to the Ground Lease as
		referred to in Section 2.2 above.
Annex 3	-	Certified description referred to in Section 1.1 of the General
		Conditions.
Annex 4	-	Additional orders for construction referred to in Section 5.2(a)
		above.
Annex 5	-	List of Special OPCW Requirements referred to in Section
		5.2(b) above.
Annex 6	-	Description of "surrounding area" referred to in Section 4.6(a)
		of the General Conditions.

Claims

14. The Lessor declares that there are no outstanding claims related to the Leased Premises which prohibit the OPCW from making full use of the Leased Premises in accordance with the terms and conditions of this agreement and the General Conditions.

Permission from mortgager

15. The Lessor guarantees that he has obtained permission from the mortgager to enter into this agreement.

Notification

16. Any notification under this agreement shall be given in writing by registered mail.

Name of this Agreement

- **17.1** This agreement shall be signed by the Lessor and the Executive Secretary of the Preparatory Commission for the OPCW.
- **17.2** After signature by the Director-General of the Technical Secretariat of the OPCW, this agreement will be known as the "Tenancy Agreement" and no longer the "Preliminary Tenancy Agreement".

This agreement consists of 60 pages, including its annexes, each page initialed by the Parties, drawn up and signed in duplicate in The Hague this day of 20 March 1996:

For the Lessor

For the Preparatory Commission for the OPCW

[signature]

Ir. F.D. van der Weide Director Provastgoed Nederland B.V. [signature]

Mr. Ian R. Kenyon Executive Secretary

[signature]

Drs. H.C. de Lint on behalf of Hillen en Roosen B.V.

Director-General

Annex 1

GENERAL CONDITIONS FOR THE (PRELIMINARY) TENANCY AGREEMENT

The Leased Premises

- **1.1** The Leased Premises include the installations and facilities which are specified in the certified description accompanying the (Preliminary) Tenancy Agreement as Annex 3, inasmuch as they are not included in the List of Special OPCW Requirements (Annex 5) which are the property of the OPCW. Should the (Preliminary) Tenancy Agreement be terminated within 10 years after the date on which the Leased Premises have become available for use, the OPCW shall remain liable to redeem the ten-year annuity relating to the interest and amortisation of the Special OPCW Requirements financed by the Lessor, as referred to in Section 5.2 of the (Preliminary) Tenancy Agreement.
- **1.2** The Leased Premises will be made available for occupation and accepted in the state outlined in the certified description referred to in Section 1.1 above.

Use

- **2.1** The Leased Premises will be used during the entire term of the (Preliminary) Tenancy Agreement exclusively for the purpose stipulated therein. The OPCW shall observe existing limited rights and requirements which have been or may be made by public authorities or public utility companies, as long as they are compatible with the Agreement between the OPCW and the Kingdom of the Netherlands concerning the Headquarters of the OPCW.
- **2.2** Without prejudice to its privileges and immunities pursuant to the OPCW Headquarters Agreement referred to in Section 2.1 above, the OPCW shall act in accordance with Dutch law and local regulations, and regulations issued by public utility companies, insurers, etc. The OPCW shall also observe instructions by or on behalf of the Lessor regarding maintenance, appearance, fire protection, parking and correct operation of installations, provided that the instructions are reasonable and in the interest of the proper use of the Leased Premises.

Licenses

2.3 If alterations or improvements to the Leased Premises are necessary and are related to activities of the OPCW, it is the responsibility of the OPCW (without prejudice to the conditions in Sections 2.4 and 2.7 below) to ensure that the activities to that purpose are carried out in accordance with the requirements, including obtaining licences where applicable, made or to be made by public authorities.

Environment

2.4 An environmental survey shall be carried out on behalf of the Lessor with respect to the Leased Premises immediately before the date on which the Leased Premises are available for use. Any increase in contamination of the soil over and above that found by the surveys reported on 26 January 1995 and 1 June 1995 shall be the responsibility of the Lessor. If an environmental survey carried out during the term of the lease, or immediately upon termination thereof, finds higher concentrations of substances than those reported in the survey at immediately before the date on which the Leased Premises were available for use, the OPCW shall be responsible for the contamination unless it can be demonstrated that this has not been caused by any fault or negligence of the OPCW itself, its personnel or persons or objects under its supervision, nor any circumstance which can be imputed to the OPCW. In the case of OPCW responsibility, the OPCW shall compensate any damage suffered by the Lessor as a result of the contamination including expenses relating to the removal of the contamination. The effect of this paragraph shall be limited by the boundaries of the site of the Leased Premises, unless it can be demonstrated that contamination outside the boundaries is caused by activities within the boundaries.

Waste products/chemical waste

2.5 Where directives or regulations by the government or other competent authorities are applicable to the (differentiated) presentation of waste products, the OPCW shall continuously and carefully observe the same.

Advertisements

2.6 The Lessor will have no right under any circumstances to make use of roofs, outer walls, gardens and grounds of the Leased Premises for advertisements (including illuminated advertisements), signs and the like, both for its own benefit and for the benefit of third parties. This Section is not applicable to the notices or posters referred to in Section 9.3 below.

Prohibitions and regulations regarding Public Order; Alterations

- **2.7.1** The OPCW is not permitted:
 - (a) to have environmentally hazardous materials, including malodorous, inflammable or explosive substances, in or attached to or in the immediate vicinity of the Leased Premises, unless such materials are part of the normal conduct of its activities;
 - (b) to burden floors of the Leased Premises more than is technically permissible or specified in the (Preliminary) Tenancy Agreement;
 - (c) to make such use of the Leased Premises that as a result of this use the soil or environment becomes polluted, the Leased Premises suffer damage, or the

appearance of the Leased Premises is adversely affected, which is understood to include the use of vehicles as a result of which the floors may be damaged;

- (d) to make any alterations or additions in, on or to the Leased Premises which are in conflict with regulations of public authorities and/or public utility companies or existing limited rights.
- **2.7.2** Without the Lessor's prior written permission the OPCW shall not be permitted to make major alterations or additions in, on or to the Leased Premises. Alterations or additions are defined as major in case these alterations or additions affect the main fabric of the building and main installations. No permission is required for improvements or alterations necessary to reinforce the security of the Leased Premises, provided that the OPCW obtains the necessary permits from the competent authorities. Any major alterations or additions that are made by the OPCW for security reasons shall be communicated to the Lessor.
- **2.7.3** The Lessor shall not be liable in any way whatsoever for any alterations or additions. Without prejudice to Section 5.1 below, the OPCW will repair/remove all major alterations and additions at the expiration of the (Preliminary) Tenancy Agreement, if so requested by the Lessor as a condition to his permission as referred to in Section 2.7.2 above. If the Lessor requests the OPCW not to remove any major alteration or addition, at the expiration of the (Preliminary) Tenancy Agreement the Parties will negotiate the issue of compensation to be paid by the Lessor to the OPCW in respect of such alterations or additions made at the expense of the OPCW.
- **2.7.4** Without the Lessor's prior written permission the OPCW shall not be permitted to park vehicles in places where parking may cause damage to the Leased Premises.
- **2.7.5** The OPCW shall keep fire fighting equipment and fire exits in the Leased Premises free and clear at all times.
- **2.7.6** The use of lifts, automatic door mechanisms, speed gates and similar facilities shall be entirely at a person's own risk. All users instructions issued or to be issued by or on behalf of the Lessor, the installer concerned or public authorities must be carefully observed. If and for the shortest reasonable period as this is necessary for the purpose of maintenance or replacement, the Lessor may put the said facilities out of operation without the OPCW being entitled to damages. However, the Lessor shall not do so without the prior consent of the OPCW. In the case of objection or refusal by the OPCW, this shall be given in writing to the Lessor. During that shortest reasonable period, the OPCW shall be allowed to maintain the normal services and security of the Leased Premises.
- **2.7.7** Where objects installed by or on behalf of the OPCW, excluding the Special OPCW Requirements specified in Annex 5, must be removed temporarily in connection with maintenance or repair work to the Leased Premises, the expenses of removal, possible storage and reinstallation shall be at the Lessee's expense and risk.

Applications/permission

- **2.8.1** If and to the extent that any provision of the (Preliminary) Tenancy Agreement or these General Conditions requires the permission of the other Party, it shall be deemed granted only if given in writing.
- **2.8.2** Any permission granted by a Party shall be for one instance only and shall not apply to other or subsequent cases. Either Party shall be entitled to make its permission conditional.

Subletting

- **3.1** Subject to the Lessor's prior permission, the OPCW shall not be permitted to relinquish all or part of the Leased Premises to any third party through leasing, subletting or allowing the use of the same, or by transferring the rights of lease in whole or in part to any third party or by bringing these rights into a partnership, or a legal entity.
- **3.2** Section 3.1 above shall not be understood to limit in any way the OPCW's right to conclude agreements with third parties that provide services to the OPCW, in accordance with which the OPCW will make space available in the Leased Premises for the exclusive use by such third parties, provided that the provisions of such agreements are in accordance with the terms of the (Preliminary) Tenancy Agreement and these General Conditions, notably Section 5 of the latter.

Rent Revision

4.1 Any revision of the rent as agreed in Section 5.4 of the (Preliminary) Tenancy Agreement will occur on the basis of the revisions of the monthly index figure according to the consumer's price index (CP) series CPI Employees Low (1990=100), as published by the Central Bureau of Statistics (CBS). Unless 4.2 below is applicable, the revised rent will be calculated according to the following formula: the revised rent is equal to the current rent on the revision date, multiplied by the index figure of the calendar month which lies twenty-four calendar months before the calendar month in which the rent is adjusted, divided by the index figure of the rent is adjusted.

- **4.2** If the parties fix the rent again in accordance with Section 4.6 below, the revision mentioned in Section 4.1 above shall occur for the first time one year after the newly-fixed rent has come into force and subsequently each year, whilst applying the formula specified in Section 4.1 above.
- **4.3** The rent will not be revised if such revision according to Sections 4.1 or 4.2 above would lead to a lower rent than the most recent rent. In that case that most recent rent shall remain unchanged, until at a next indexing the index figure of the calendar month, which lies twenty-four calendar months before the calendar month in which the rent is adjusted, is higher than the index figure of the calendar month, which lies twenty-four calendar month in which lies twenty-four calendar month in which the last rent revision occurred. At that time the index figures of the calendar months referred to in the previous sentence shall be used in the rent revision.
- **4.4** The Lessor shall inform the OPCW in advance of the revised rent before the first of July of the year preceding the year in which the revised rent will come into force. If the Lessor has not so informed the OPCW by the due date, the OPCW shall make its own calculation of the revised rent in accordance with the provisions of Section 5.4 of the (Preliminary) Tenancy Agreement and shall inform the Lessor of the outcome of this calculation by written notice. This outcome shall be binding on the Parties unless the Lessor shows within two months that the calculation of the revised rent by the OPCW is erroneous.
- **4.5** If the CBS discontinues announcing the consumer index figure mentioned in Section 4.1 above or if the basis of the calculation is changed, an index figure as similar to this as possible will be used. In the event of a dispute in this regard, the Party who takes action first may request a statement from the director of the CBS which will be binding on both Parties. Each Party will pay half of any costs arising from this.
- **4.6** If the Parties have not reached any agreement on the rent adjustment to market rates (as provided for in Section 5.5 of the (Preliminary) Tenancy Agreement) within two months, the rent adjustment will be fixed by three experts. The experts must be instructed, when fixing the rent, to use the following method:
 - (a) determine the average rental per square metre of office space in the surrounding area (as specified in Annex 6) for newly-agreed contracts for office space larger than 1000 m² in the preceding twenty four months;
 - (b) determine the equivalent figure for the twenty four months immediately preceding the date on which the Leased Premises were available for use;
 - (c) divide the first result by the second result to produce a "market index";
 - (d) multiply the rent in Section 5.2 of the (Preliminary) Tenancy Agreement, less the annuity in 5.3 of the (Preliminary) Tenancy Agreement, by the market index to give the new rent.

The experts may, if necessary, agree to expand the area to include other suitable buildings to ensure a representative sample.

End of Lease or Use

- **5.1** The OPCW shall, at the end of the lease, or on termination of the (Preliminary) Tenancy Agreement or the use, deliver the Leased Premises, as circumscribed in Section 1.1 above, to the Lessor in its original state, taking into account normal wear and tear, entirely vacated, free of use or rights to use and properly cleaned and shall return keys, key cards and the like.
- **5.2** If the OPCW vacates the Leased Premises it will be entitled to remove the Special OPCW Requirements (Annex 5). In the event Special OPCW Requirements cannot be removed without damaging the Leased Premises, the Parties shall negotiate appropriate action and compensation. Any other items which the OPCW may be deemed to have abandoned by leaving them in the Leased Premises on actually vacating the Leased Premises, may be removed at the expense of the OPCW by the Lessor, at the latter's discretion and without any liability on his account, unless the Lessor has been informed that the subsequent lessee has taken over the items.
- **5.3** The Parties shall inspect the Leased Premises together in good time before the end of the lease or the use of the Leased Premises. The Parties shall make a report of this inspection, in which they shall record their findings. This report will also set out: which work in respect of repairs which appeared to be necessary at the time of the inspection; the established outstanding maintenance for which the OPCW is required to meet the costs and which must still be carried out at the expense of the OPCW; and in what way this must be done.
- **5.4** If the OPCW does not cooperate in the inspection and/or in the recording of the findings and agreements in the inspection report before the end of the lease and has vacated the Leased Premises, the Lessor shall have the right to carry out the inspection without the OPCW being present and to determine the report to be binding on both Parties. The Lessor shall give the OPCW a copy of the report without delay.
- **5.5** The OPCW shall carry out or cause to be carried out the repairs it is required to carry out on the basis of the inspection report within the term specified in the report or to be further agreed by the Parties to the satisfaction of the Lessor. If the OPCW, after having been given written notice of default, fails completely or partly to fulfil the obligations arising from the report, the Lessor shall himself have the right to have the relevant work carried out and to recover the consequential costs from the OPCW.
- **5.6** For the agreed period required to carry out the repairs, calculated from the date of termination of the (Preliminary) Tenancy Agreement, the OPCW will be in debt to the Lessor for a sum agreed between the parties, calculated on the basis of the most recent rent, including additional supplies and services. Any claims from the Lessor for compensation for further damages and costs shall be submitted on the same basis within two months after the date the OPCW vacates the building.

Damage

- 6.1 The OPCW shall take appropriate steps in due time to prevent and limit damage to the Leased Premises, such as damage caused by short circuits, fire, leakage, storms, frost and any other weather condition and the inward or outward flow of liquids and gases. The OPCW shall inform the Lessor immediately if such damage occurs or seems likely to occur.
- **6.2** The OPCW shall be responsible to the Lessor and third parties for any damage and loss to the Leased Premises unless the OPCW can demonstrate that the persons it has admitted to the Leased Premises, its staff or the persons for whom the OPCW is responsible are not to blame or that negligence cannot be held against it in that respect.
- **6.3** The Lessor shall not be responsible for damages done to the OPCW due to obstructions to the use of the Leased Premises caused by third parties, except in the event of or resulting from gross fault or serious negligence of the Lessor.

Upkeep of Leased Premises

7.1 <u>By the Lessor</u>

- **7.1.1** Unless it concerns work which may be considered to be of a limited nature and dayto-day repairs, work on items forming part of the Special OPCW Requirements referred to in Annex 5, or work on other items which have been installed by or on behalf of the OPCW, the following shall be at the expense of the Lessor:
 - (a) maintenance, repair and renovation of structural parts of the Leased Premises, such as foundations, pillars, beams, concrete floors, roofs, terraces, structural walls, outer walls, and external canopies;
 - (b) maintenance, repair and renovation of staircases, stairs, sewers, drains, gutters, outer casings of windows, windows and doors, and the like. In respect of sewers the condition set out in Section 7.2.6 below shall apply;
 - (c) replacement of parts and renovation of all mechanical and electrical installations and systems including climate control (heating, cooling and ventilation), lifts, fire hydrant boosters and the electrical distribution system, except as provided for in Section 7.2.7 below.
 - (d) exterior paint work.
- **7.1.2** Any third party who carries out the work referred to in Section 7.1.1 above on behalf of the Lessor shall be approved in advance by the OPCW. Such approval can only be withheld on reasonable grounds, such as security. Service contracts concluded by the Lessor for the installations referred to in Section 7.1.1(c) above, and other contracts in so far as they affect the main fabric of the building, shall be approved in advance by the OPCW.

7.1.3 In the event of maintenance, repair and renovation work to be carried out by the Lessor, the Lessor will consult with the OPCW in advance so that the latter's interests may be taken into consideration where possible. Extra costs for work to be carried out outside normal working hours, at the request of the OPCW, shall be at the expense of the OPCW. The schedule and cost of this work shall be mutually agreed upon.

7.2 **By the OPCW**

- **7.2.1** The OPCW shall be responsible for the proper and competent use and maintenance of the Leased Premises.
- **7.2.2** Exterior maintenance if and in so far as it concerns work which must be considered to be of a limited nature and day-to-day maintenance, as well as interior maintenance which does not include maintenance as referred to in Section 7.1.1 above, without prejudice to the further conditions hereof, shall be at the expense of the OPCW.
- **7.2.3** All other maintenance, repairs and replacements of items such as the following, and which are not due to normal wear and tear and exhaustion of the lifetime of any such item, shall be at the expense of the OPCW:
 - (a) hinges and locks, plate glass, window glass and other glass, both inside and outside;
 - (b) roller blinds, Venetian blinds, awnings and other blinds;
 - (c) switches, sockets, doorbell systems, lighting (including fittings), interior paint work, sinks, toilet facilities and also the replacement of light bulbs, even if the replacement of light bulbs is due to normal wear and tear and exhaustion of the lifetime thereof;
 - (d) pipes and taps of gas, water, electricity from the metre or main tap and appurtenances;
 - (e) fences as well as maintenance of gardens and maintenance of the grounds.
- **7.2.4** The maintenance, repair and replacement of items forming part of the Special OPCW Requirements specified in Annex 5 and other items which have been installed by or on behalf of the OPCW, shall be at the expense of the OPCW.
- **7.2.5** The OPCW shall be responsible for keeping the Leased Premises clean both inside and outside, which shall include the cleaning of windows, window frames and outer walls of the Leased Premises.
- **7.2.6** The OPCW shall be responsible for the emptying of grease traps, the cleaning and unblocking of cesspits, gutters and all drains/sewers of the Leased Premises up to the municipal main sewers, the sweeping of chimneys and the cleaning of ventilation ducts.

- **7.2.7** Subject to the provisions of Sections 7.1.1(c) and 7.1.3 above, the OPCW shall be responsible to conclude at its expense standing contracts to carry out routine maintenance of the mechanical and electrical installations and systems such as climate control (heating, cooling and ventilation), lifts, fire hydrant boosters and the electrical distribution system. Such contracts shall provide for periodic preventive maintenance, including carrying out inspections and keeping moving parts in working order (corrective maintenance); replacing parts which are subject to rapid wear and which have to be replaced at almost every service; solving technical faults outside of normal business hours; carrying out small repairs and everything else which may be considered to be of a limited nature and day-to-day maintenance. The Lessor shall advise the OPCW on appropriate contractors and shall have the right to approve contracts before signature by the OPCW.
- **7.2.8** The OPCW shall notify the Lessor immediately in writing of any faults to the Leased Premises. In urgent cases this can be done orally, followed by written notice in accordance with Section 14 below.
- **7.3** If either party fails to carry out necessary maintenance, repairs, replacements or renovations, as provided for above, after being notified or if these are carried out badly or injudiciously the other party is entitled to carry out this work or to have it carried out at the reasonable expense of the defaulting party after notification of default and allowing the obligated party reasonable time to correct the failure. If the work to be carried out cannot be postponed without endangering persons or property, the other party is empowered to carry out this work at the reasonable expense of the defaulting party.

Adjustments

8. If the Lessor considers it necessary to carry out maintenance, repairs, renewals, including extra facilities and alterations, renovations or other work in, on or to the Leased Premises, or to have such work carried out, or if such work is necessary due to (environmental) requirements or measures by public authorities or public utility companies, the OPCW shall permit and suffer this work and these measures and the inconvenience, if any, without being able to claim damages, on the condition that the Lessor has, at his own expense, taken reasonable account of the interests of the OPCW and has done everything reasonably within his power to limit the duration of such work, measures and inconvenience.

Access of the Lessor

9.1 If the Lessor or any third party on his behalf wishes to have access to the Leased Premises in view of the application of any provision of the (Preliminary) Tenancy Agreement or these General Conditions, the Lessor shall submit a request to that effect to the OPCW one month in advance. The request shall, in principle, be granted by the OPCW. If the Lessor wishes a third party to have access to the Leased Premises on his behalf, the Lessor shall submit a certificate confirming his contractual relationship with the third party. With this certificate, the Lessor assumes

responsibility for the activities carried out by the third party within the Leased Premises.

- **9.2** The Lessor or any third party on his behalf shall only have access to the Leased Premises under the guidelines and surveillance of the OPCW. The OPCW shall approve any such work schedule in advance. However, it is understood that the OPCW will in principle and to the extent possible make access possible during normal working hours, being on working days between 7.00 a.m. and 5.30 p.m.
- **9.3** In the event of the intended sale or auction of the Leased Premises in conformity with Section 12 of the (Preliminary) Tenancy Agreement or in the event that an intended release of the Leased Premises after termination of the (Preliminary) Tenancy Agreement has been announced, the OPCW shall provide an opportunity for an inspection of the Leased Premises by each intended buyer or lessee. The inspection shall be conducted in accordance with Sections 9.1 and 9.2 above. The OPCW will allow the usual notices or posters "To Let or For Sale" on the grounds of the Leased Premises.

Energy Costs

10. In addition to the rent, the OPCW will meet the costs incurred for energy (gas, water, electricity, (city) heating and cooling) for the Leased Premises, including the costs of concluding an agreement for the supply and for the hiring of a meter, as well as any other costs or penalties charged by public utility companies. The OPCW shall itself conclude the agreements for supplies with the public utilities companies involved.

Payments

- **11.1** The payment of rent and of all amounts payable under this lease shall be made at the latest on the due date in Dutch guilders without any suspension, discount, reduction, or settlement of a claim which the OPCW has in its opinion against the Lessor, unless such claim directly flows from an arbitral award as meant in Section 11 of the (Preliminary) Tenancy Agreement by payment or transfer to an account specified by the Lessor. The Lessor shall be free to alter the place or manner in which payment is to be made by giving the OPCW written notice to this effect. The Lessor shall be entitled to determine the outstanding amount under the lease from which payments received from the OPCW will be deducted, unless the OPCW specifically states otherwise upon payment.
- **11.2** If any amount under this (Preliminary) Tenancy Agreement is not paid promptly by the OPCW on the due date, the OPCW will forfeit to the Lessor as of the due date an immediately payable additional amount of 1 percent per month of the amount owing with a minimum of Dfl. 250 per calendar month, with each month after commencement counting as a full month.

Taxes, Expenses, Levies, Premiums etc.

- **12.1** Without prejudice to its privileges and immunities pursuant to the Agreement between the OPCW and the Kingdom of the Netherlands concerning the Headquarters of the OPCW, the OPCW shall be responsible for any current or future taxes, sufferance duties, charges, levies, etc. payable as a result of its use of the Leased Premises such as environmental levies, including surface water purification levies and charges for waste water purification.
- **12.2** Without prejudice to its privileges and immunities pursuant to the Agreement between the OPCW and the Kingdom of the Netherlands concerning the Headquarters of the OPCW, the OPCW shall reimburse the Lessor for any current or future taxes, sufferance duties, charges, levies, etc. with regard to the Leased Premises for which the Lessor is assessed, if the Lessor shows that he is assessed for the same due to the privileges and immunities referred to in Section 12.1 above.
- **12.3** The Lessor shall keep the Leased Premises insured for all risks, covering at least the risk of damages due to fire, weather, vandalism and explosion as well as earthquake, flood or other natural phenomenon, to the extent usual in the Netherlands, under a comprehensive policy taken out with an insurance company acceptable to the OPCW, and shall make known to such insurance company the use to which the building will be put by the OPCW, the status of the OPCW as stated in the OPCW Headquarters Agreement and the protection given to the OPCW by the Government of the Netherlands as a consequence of the Headquarters Agreement. The OPCW shall be responsible for the insurance of its own property, equipment and furnishing and that of its employees in the Leased Premises.

Domicile

13. From the date of entry into force of the (Preliminary) Tenancy Agreement, all communications from the Lessor to the OPCW relating to the fulfilment of (Preliminary) Tenancy Agreement and these General Conditions, shall be addressed to the Leased Premises.

Complaints

14. The OPCW shall submit its complaints and requests in writing. In urgent cases, it may do so orally by a Senior Officer of the Technical Secretariat of the OPCW. In such cases, the OPCW shall confirm its complaint or request in writing as soon as possible. Both Parties shall cooperate in order to find a solution to the complaint or the request within reasonable time and consultations between the Parties shall start within 10 days after the request or complaint has been received.

Administrator

15. If an administrator has been appointed by the Lessor, the OPCW shall consult the administrator on all matters relating to the lease.

Final Clause

16. Should any part of the (Preliminary) Tenancy Agreement or of these General Conditions be null or voidable, this shall not affect the remaining parts of the (Preliminary) Tenancy Agreement and these General Conditions. To replace that part or those parts of the (Preliminary) Tenancy Agreement which are null and void, an agreement which is nearest to what the Parties would have agreed, had they known of the nullity or voidance, shall be considered to be agreed.

Annex 2

TERMS AND CONDITIONS WITH RESPECT TO THE GROUND LEASE REFERRED TO IN SECTION 2.2 OF THE (PRELIMINARY) TENANCY AGREEMENT

<u>Translation into</u> English from the original Dutch

Municipality of The Hague [*logo*: Municipal Development Department]

<u>Lease</u> with Lump Sum Payment of Ground Rent and Management Charge

The undersigned, Peace Building Catsheuvel B.V., of The Hague, hereby undertakes to accept an area of land in Johan de Wittlaan, indicated in grey on plan GZ 7539 attached to the present lease, approximately 10,378 centiares in size, for the construction of an office building to house the Organisation for the Prohibition of Chemical Weapons (hereinafter referred to as 'the OPCW') and/or the Preparatory Commission for the Organisation for the Prohibition of Chemical Weapons (hereinafter referred to as 'the OPCW') and/or the Preparatory Commission for the Organisation for the Prohibition of Chemical Weapons (hereinafter referred to as 'the PrepCom', from the Municipality of The Hague in perpetual lease under the General Provisions for the Leasing of Land of the Municipality of The Hague 1986, revised 1993 (GP 1986 rev. 1993) and the provisions as contained in the attached "Special Conditions", at an annual ground rent upon commencement of the lease of NLG 1,080,000 plus a management charge as referred to in Article 8.1 of GP 1986 rev. 1993;

The aforementioned ground rent is based on a total land price of NLG 13,500,000 and a ground rent percentage of 8; the agreed land price per square metre of gross floor area (m² GFA) is NLG 750 ex VAT, on 18,000 m² GFA office space.

The said lease shall commence:

- 1. on the date on which the planning permission ceases to be liable to suspension and a non-dissoluble tenancy or purchase agreement for the aforementioned accommodation of the OPCW and/or the PrepCom has been entered into by the undersigned,
- or
- 2. at such time as the leaseholder actually takes possession of the aforementioned land for the construction of the office building, whichever is earlier.

The undersigned hereby undertakes to pay a lump sum in respect of the annual ground rent and the management charge for the entire duration of the lease to the municipality in advance by paying the sum of NLG 13,500,312, made up as follows:

a. the aforementioned land price of NLG 13,500,000;

b. the lump sum management charge laid down by the Municipality for 1995 of NLG 312.

The total of NLG 13,500,312 shall be paid by the leaseholder in two instalments, each amounting to half the total. The first instalment shall be due no later than 1 July 1997; the second instalment shall be due no later than 1 July 1998, subject to the proviso that the leaseholder shall be liable to interest on the respective portions of the land price based on a ground rent percentage of 8 for the period from the commencement date of the lease to the dates on which the said sums are received by the Municipality.

The undersigned further certifies that it is aware of the following:

- Turnover tax (VAT) is due on the present lease and this is payable upon taking possession of the land for economic purposes. The leaseholder is be liable for all taxes and levies - under whatever name - relating to the said lease.
- 2. The Municipality leases out the land ready for building; 'ready for building' in this context shall be defined solely as free of buildings, paving, trees and shrubs on the land and of foundations, cables and mains in the land, with the exception of an existing water main.
- 3. The land to be leased out by the Municipality shall be delivered levelled to the height of the present average site level.
- 4. The undersigned shall upon first request by the Municipal Executive cooperate in the execution of the notarial deed of establishment of leasehold and, if desired, building rights; an acquittance shall not be drawn up until such time as all sums payable by the leaseholder to the Municipality in respect of the present lease have been received.
- 5. The deed mentioned at 4 above shall explicitly include points a-g of Article 2.2 of GP 1986 rev. 1993, whereby as regards point f Article 22.2 shall not apply to the lease, and as regards point g the management cost shall have been paid in perpetuity.
- 6. For the purpose of the leasing of the land the Surveying and Property Division and Drawing Office of this Department shall supply the following products/services:
 - a. a dimensional plan showing the area of the parcel of land to be leased;
 - b. a plan (GZ), mentioned in the Special Conditions, showing among other things the permitted land use, the utilization of the land and buildings and the area for building;
 - c. a plan (E), required for the notarial deed of leasehold, showing the cadastral reference of the parcel of land to be leased;
 - d. marking-out of the boundaries of the land;
 - e. preparation for the formation of cadastral parcels.

The cost of plan GZ shall be borne by the Municipality.

The cost of the other products/services, totalling a maximum of NLG 5,000, shall be borne by the undersigned and shall be charged when the notarial deed of leasehold is executed.

The undersigned shall order the contractor to apply to the aforementioned Surveying and Property Division to mark out the outlines of the buildings to be built on the land, and the expenses incurred by the said Division shall be charged to the contractor.

- 7. The Municipality, in consultation with the undersigned, shall draw up/has drawn up a development/redevelopment plan for, among other things, a portion of the land to be leased, the said land being indicated in Article 4 of the Special Conditions below.
- 8. It is responsible for obtaining the required connections to the water, gas & electricity and district heating networks of the public utilities.
- 9. It shall have the right to enter into discussion with N.V. Duinwaterbedrijf Zuid-Holland [South Holland Water Company] (DZH) to see whether - in view of the international character of the user of the land and buildings - there are grounds for reaching agreement with DZH on the application, full or otherwise, of the General Provisions of DZH as referred to in Article 5.2 of the Special Conditions attached to the present lease.

The undersigned hereby certifies that it has entered into an agreement with the Stichting O.P.C.W. of The Hague (hereinafter referred to as 'the Foundation') governing, among other things, the Foundation's obligation punctually to pay the undersigned the sums stated in the present lease in respect of land charges and the interest due thereupon.

Lastly, the undersigned hereby undertakes to have the notarial deed of leasehold executed by Notary H.M.I.T. Breedveld (at the office of De Brauw Blackstone Westbroek) or his deputy.

The Hague, 22 April 1996

Peace Building Catsheuvel B.V.

[two illegible signatures]

[signatures:] F.D. van der Weide H.C. de Lint

Municipality of The Hague [*logo*: Municipal Development Department]

SPECIAL CONDITIONS

<u>Article 1</u> Land Use and Utilization

- 1.1 The land is to be used for the construction of an office building with the associated facilities, including technical utility rooms, an underground car park and an underground bicycle shed.
- 1.2 The land and buildings may only be used in accordance with the land use stated in Article 1.1.
- 1.3 The buildings must be kept within the confines of the building strips shown on plan GZ 7539.
- 1.4 The buildings must not exceed the number of storeys shown on plan GZ 7539.
- 1.5 The buildings may contain the number of square metres of gross floor area for offices permitted under the planning permission granted on 24 July 1995, reference BW5005411.
- 1.6 The buildings, insofar as the OPCW and/or the PrepCom is/are the user of the land and buildings, may, within the regulations of the local plan in force, be extended in relation to the provisions of Articles 1.3, 1.4 and 1.5, the provisions of Article 12 of GP 1986 rev. 1993 not being applicable thereto.
- 1.7 If the land and buildings cease to be used by the OPCW and/or the PrepCom the provisions of Article 12 of the aforementioned GP 1986 rev. 1993 shall apply in full.

<u>Article 2</u> <u>Commencement and Completion of Construction</u>

- 2.1 Construction on the land must begin within twelve months of the date on which the lease commences.
- 2.2 The buildings to be erected on the land must be ready for use, and the land remaining unbuilt laid out and fenced off in accordance with the land use, no later than three years from the commencement date of the lease, for approval by the Municipal Executive.

Article 3 Soil Survey

- 3.1 Soil investigations have been carried out to establish whether substances presenting a danger to the environment and/or public health as referred to in Article 6.2 of the General Provisions 1986 rev. 1993 are present in the soil in relation to the use to be made of the land.
- 3.2 The results of this survey are recorded in a Soil Quality Certificate from the Municipal Management Department, Environment Sector, Soil and Water Division dated 27 July 1995, Project Code 574-001, to be attached to the deed of establishment.
- 3.3 The statements indicate that there is no reason to assume that substances as referred to in Article 3.1 are in the soil and that the land is suitable for the utilization referred to in Article 1.1.
- 3.4 By signing the deed of establishment the leaseholder certifies that it has taken cognizance of the results of the survey and will observe the stipulations contained in the statements of suitability.
- 3.5 In the event of it emerging that the soil on commencement of the lease is not contaminated but nevertheless does not comply with the reference values, restrictions under the Soil Protection Act shall apply to any removal of soil as regards reutilization of the soil. In the event of soil removal the leaseholder should make prior consultation with the Department referred to in Article 3.2. The leaseholder should apply for the permits required for the removal. The cost of such permits and the cost of transport and storage of the soil to be removed shall be borne by the leaseholder.

Article 4

Public Areas

- 4.1 The leaseholder consents to the portions of the land roughly indicated on plan GZ 7539 by single hatching and cross-hatching being regarded and used as areas accessible to the public for pedestrian, bicycle and moped traffic.
- 4.2 The cost of constructing the said portions of the land shall be borne by the leaseholder, subject to the provisions of Article 4.4. The cost of maintaining the said portions of the land shall be borne by the Municipality.
- 4.3 The leaseholder consents to the Municipality constructing and maintaining on the land referred to in Article 4.1 a through route for bicycle and moped traffic between Catsheuvel and Johan de Wittlaan in both directions. The land assigned for this purpose is roughly indicated by cross-hatching on plan GZ 7539.
- 4.4 The said through route shall be constructed and maintained at the Municipality's expense. The leaseholder also consents to the Municipality carrying out any work necessary to maintain the route.

- 4.5 In exercising its power the Municipality shall take into consideration the interests of the leaseholder and the user of the building.
- 4.6 The leaseholder consents to the Municipality installing street lighting on the fencing of the office building referred to at 1.1 for the through route referred to in Article 4.3. Consultation shall take place with the leaseholder and the user of the building on the place where and manner in which the said lighting is to be installed.
- 4.7 The cost of maintaining the said street lighting shall be borne by the Municipality. The leaseholder consents to the Municipality carrying out any work needed to maintain the said street lighting.
- 4.8 In exercising its power the Municipality shall take into consideration the interests of the leaseholder and the user of the building.

Article 5

Cables and Mains

- 5.1 There is a raw water main of N.V. Duinwaterbedrijf Zuid-Holland (DZH) in the land at the location roughly indicated by a line on plan GZ 7539. The said water main shall remain the property of DZH.
- 5.2 Upon the notarial establishment of the lease rights of building shall be established for the said water main in favour of DZH in respect of the land to be leased, subject to the provisions and clauses attached to the present Special Conditions.

Article 6

<u>Parking</u>

- 6.1 The leaseholder shall create 110 parking spaces in an underground car park on its premises. Provision has been made to the satisfaction of the Municipal Executive for the remaining parking spaces required to comply with Municipal parking policy in force for the 18,000 m² GFA office space to be constructed. The latter shall be provided partly outside the land to be leased.
- 6.2 In the event of the amount of office space being changed the leaseholder shall ensure that the number of parking places required is adjusted to comply with Municipal parking policy in force at that time; the said adjustment may be made on the leaseholder's premises.

<u>Article 7</u> <u>General Provisions 1986 rev. 1993</u>

7.1 Insofar as the land and buildings are used by an institution with diplomatic privileges and/or immunities, or whose officials enjoy diplomatic privileges and/or immunities, the provisions contained in the General Provisions 1986 rev. 1993 shall apply in full to the leaseholder, provided this is not contrary to international rules of public law.

The Hague, 22 April 1996

Peace Building Catsheuvel B.V.,

[two illegible signatures]

[signatures:] F.D. van der Weide H.C. de Lint

APPENDIX 1

to the Lease of Land in Johan de Wittlaan, The Hague

Plan GZ 7539

[Insert copy of Plan no. GZ 7539, reduced to A4 size]

[Translation of Legend of Plan no. GZ 7539]

- land to be leased
- building strip with adjoining land
- K = office
- P = parking
- -T =technical space
- -9 = no. of storeys
- public area (pedestrians)
- public area (bicycles and mopeds)
- raw water main

- OPCW ALLOCATION	[<i>logo</i> : Municipality of The Hague]	
-	Physical Planning and Economic Development Service	
Drafted	Amended	Format
GN/PM	GN	A3
Checked	Checked	Scale 1 : 500
Date 03-08-95	Date 10-08-95 - 27-02-'96	Number GZ 7539

APPENDIX 2

to the Lease of Land in Johan de Wittlaan, The Hague

Agreement to Establish Rights in rem of Building between N.V. Duinwaterbedrijf Zuid-Holland and the Municipality and the attached General Provisions and the Tenant's Declaration by the PrepCom/OPCW

PREPARATORY COMMISSION FOR THE ORGANISATION FOR THE PROHIBITION OF CHEMICAL WEAPONS Provisional Technical Secretariat

Legal Division

Reference: LD/96-316/LT

The Hague, 1 April 1996

Mr. J.J. Maljers N.V. Duinwaterbedrijf Zuid-Holland Postbus 34 2270 AA Voorburg

Dear Mr. Maljers:

Enclosed please find the original of the *Huurdersverklaring*, duly executed by the Executive Secretary.

It is my understanding that upon receipt of this declaration, DZH and the Municipality will be in a position to conclude the *Overeenkomst tot Vestiging Zakelijk Recht van Opstal* (Agreement for the Establishment of a Real Right of Superficie), to which will be annexed the *Bijlage* (Annex granting certain rights to the Commission/OPCW) and that once the *Overeenkomst* is concluded and notarised, it will be attached to the Ground Lease which can then be granted to the developer by the Municipality.

Sincerely yours,

[signature]

Dr. Félix C. Calderón Legal Adviser

cc: Ir. F. vd Weide Provastgoed Nederland B.V.

TENANT'S DECLARATION Water Main

The undersigned

Address Place of Residence Organisation for the Prohibition of Chemical Weapons (hereinafter referred to as "the OPCW") Laan van Meerdervoort 51 2517 AE The Hague

hereinafter referred to as "the tenant"

The tenant of the cadastral parcels Municipality of The Hague, Section N, Nos. 8015 and 8016, under the terms and conditions as set out in the (Preliminary) Tenancy Agreement between the OPCW and Peace Building Catsheuvel B.V.,

	hereinafter referred to as "the land"
The Property of	The Municipality of The Hague
Address	Spui 70
Place of Residence	2500 DJ The Hague
	hereinafter referred to as "the land-owner"
Leased to	Provastgoed Nederland BV
Address	Tournooiveld 4
Place of Residence	2511 CX The Hague

HEREBY CERTIFIES:

That it has taken cognizance of the content of the agreement that NV Duinwaterbedrijf Zuid-Holland is to enter into/has entered into with the land-owner on the establishment of a right in rem as referred to in the Civil Code, Title 8, Book 5 on the land for the laying, use and maintenance of a water main with any accessories deemed indispensable or desirable by NV Duinwaterbedrijf Zuid-Holland;

That it consents to the said agreement.

Place The Hague

Date 1/4/96

Signature: [Ian R. Kenyon]

[logo: NV Duinwaterbedrijf Zuid-Holland]

AGREEMENT TO ESTABLISH RIGHTS IN REM OF BUILDING

The undersigned:

A. The Municipality of The Hague, represented in the matter by the General Director of the Physical and Economic Development Department, B.J. Klerk,

hereinafter (jointly) referred to as 'the land-owner', and

B. NV Duinwaterbedrijf Zuid-Holland of The Hague, registered as No. 122974 in the Register of Commercial Enterprises there, hereinafter referred to as 'DZH', legally represented in the matter pursuant to Article 9 of its Articles of Association by G.S. Huijboom of Bodegraven

hereby certify that they have agreed as follows:

The land-owner undertakes to DZH to grant building rights on the registered property defined below. The building rights shall be established on the cadastral parcel(s), Municipality of The Hague, Section N, Nos. 8015 and 8016. The building rights to be granted to DZH entail the right of DZH to lay, own, use and maintain a water main with any accessories, on, in and above the land of the land-owner along a route with a length of approximately 95 metres of which the parties are sufficiently cognizant and thus require no further particulars, to which the following provisions shall apply:

- Article 1
 1. The present agreement is entered into under the "General Provisions (B) Concerning the Laying and Maintenance of Mains by or on behalf of NV Duinwaterbedrijf Zuid-Holland", hereinafter referred to as "G.P.B.", a duplicate of which the land-owner signed to acknowledge receipt of a copy thereof, on which duplicate it certifies that it is cognizant of and accepts the content of the G.P.B., which duplicate it returned signed to DZH.
 - 2. The present agreement is also subject to the provisions contained in the Appendix attached thereto and countersigned by the parties concerning the relationship with the OPCW.

Article 2 The land-owner shall inform DZH of any facts known to it indicating that the land on which the building rights are to be established contains

any contamination or impediment that could adversely affect or disrupt the aforementioned use by DZH.

- Article 3 The width of the strip referred to in Article IV of the G.P.B. shall be 3 metres on either side of the centre line of the main.
- Article 4 If in the period commencing today up to and including the day of establishment of the building rights by registration in the public registers the land-owner intends to alienate all or part of the aforementioned registered property, or to encumber it with a limited right, expressly including mortgage, it shall notify DZH thereof in good time and inform the prospective right-holder of the content of the present agreement.
- Article 5 The land-owner shall grant irrevocable authority to DZH, with the right of substitution, to grant the aforementioned building rights for and on behalf of the land-owner and subsequently to establish them by notarial deed and to sign such deed and do and cause to be done anything required in the matter. The said authority shall not end with the death of the land-owner, nor with its being placed in receivership.
- Article 6 The costs of the present agreement, the deed of establishment, registration in the public registers and the stamp duty and/or value added tax due on the establishment shall be borne by the land-owner.
- Article 7 Other than charges that have arisen or may arise under the G.P.B., DZH shall not be liable for any retributions.
- Article 8 1. The building rights shall subsist for an indefinite period. The landowner may not terminate them on its part.
 - 2. DZH shall have the sole power to terminate the building rights and associated rights and obligations, either in total or in respect of one or more parts of the structure for which the building rights are to be established, at any time by giving one year's notice by means of a bailiff's notification as referred to in the Civil Code, Book 5, Article 88, unless the land-owner certifies in writing that it has taken cognizance of the wish to terminate the building rights, consents to this and accepts the surrender of the building rights by DZH.
 - 3. Insofar as is necessary the land-owner grants DZH irrevocable authority also in other cases of cessation of the building rights to record this in the public registers by registering notarial deeds and/or declarations signed on behalf of the land-owner for DZH, which authority shall not end with the death of the land-owner, nor with its being placed in receivership.

- Article 9 The land-owner shall remain in full enjoyment of the land in question insofar as it does not grant this to a third party and insofar as this does not conflict with the building rights and associated rights granted to DZH. As regards the accessories as defined in the G.P.B., DZH shall confine itself to those accessories necessary for the safety and maintenance of the transport of water.
- Article 10 As a qualitative obligation referred to in the Civil Code, Book 6, Article 252, DZH, which for the purposes of the said obligation elects domicile at its aforementioned place of residence, hereby prohibits the land-owner, in respect of the registered property to which the building rights apply and for the benefit of DZH, from erecting structures, storing goods, including waste, laying a sealed road surface, carrying out excavations, installing sewers, mains or cables, planting trees or deep-rooting shrubs or driving objects into the land on, in or above the strip of land as defined, or granting permission to a third party to perform such acts, without the written consent of DZH, which shall not refuse to cooperate on unreasonable grounds.
- Article 111. DZH may transfer the building rights and all its associated rights and obligations arising from the present agreement, the deed of establishment and the G.P.B. to a third party.
 - 2. The land-owner hereby certifies that it grants permission thereto in respect of the said obligations in advance as of now.
 - 3. The transfer of the said obligations shall not take effect in relation to the land-owner until such time as DZH and the third party in question have informed the land-owner thereof in writing.
- Article 12 Upon total or partial termination of the building rights the parties shall consult with each other whether the structure, or the part thereof in respect of which the rights and obligations are to be ended, shall be entirely removed or left in place. In the former case DZH shall be obliged solely to return the portion of the land in question to the best possible condition; in the latter case the structure or the part thereof surrendered by DZH shall become the property of the land-owner free of charge. If the consultations fail to produce a result, reference shall be made to Article VII of the G.P.B.
- Article 13 For the purposes of the implementation of the present Agreement except in the case of the aforementioned qualitative obligation - the parties elect domicile at the office of Notary H.M.I.T. Breedveld, Rotterdam, to whom shall be entrusted the drafting and execution of the notarial deed.

Drawn up and signed in duplicate on 9 April 1996 at The Hague.

Land-owner:

NV Duinwaterbedrijf Zuid-Holland

[illegible signature]

[illegible signature]

General Director of the PED Department B.J. Klerk

[logo: NV Duinwaterbedrijf Zuid-Holland]

NV DUINWATERBEDRIJF ZUID-HOLLAND

GENERAL PROVISIONS (B)

Concerning the Laying and Maintenance of Mains by or on behalf of NV Duinwaterbedrijf Zuid-Holland (G.P.B.)

Article I For the purposes of the present General Provisions Concerning the Laying and Maintenance of Mains (hereinafter referred to as 'the G.P.B.') the following definitions shall apply:

DZH:

NV Duinwaterbedrijf Zuid-Holland of The Hague, registered as No. 122974 in the Register of Commercial Enterprises there;

the agreement:

the agreement signed or to be signed by DZH with the land-owner concerning the granting to DZH of building rights to lay, own, use and maintain mains with accessories on, in or above the land of the land-owner;

deed of establishment:

the notarial deed signed by the parties granting and accepting the aforementioned building rights designed to establish the said rights by means of registration in the appropriate public registers;

accessories:

one or more items necessary in the opinion of DZH and forming part of a main, such as connections, cables, valves, inspection chambers, anticorrosion devices and identifying marks;

the structure: the main(s) laid or to be laid above, on and/or in the land with accessories;

the main:

a connected system of pipes for the transport of water;

the land:

the area of ground on which, in which and/or above which the structure can be laid, defined on the basis of the cadastral reference among other things; the rough line on a plan to be produced by or on behalf of DZH in accordance with which the structure is to be laid on and/or in the land;

associated rights and permits: the additional arrangements made between the land-owner and DZH.

- Article II 1. The building rights shall include the right of DZH to inspect, maintain, repair and replace the structure (or have such work carried out), and, both during laying and in the event of maintenance, repair or replacement work being needed in the opinion of DZH, the right of access to the land by DZH and any third party designated by DZH with the necessary vehicles, materials and implements, in a manner to be determined in reasonable consultation with the land-owner or user, and the right to use a strip of land on either side of the route as required for execution of the work.
 - 2. The plan on which the route has been, or in accordance with which it is to be, determined shall be handed over to the land-owner as soon as possible once the work is complete and to such users as are known to DZH at the time the agreement is entered into.
- Article III 1. The land-owner shall provide DZH with precise information on the existence or otherwise of usufructs. In the event of the land being used by a third party the land-owner shall inform the user of the agreement, the present G.P.B. and the plan referred to in Article II, paragraph 2.
 - 2. The same shall apply if the land-owner receives notification as referred to in Article 11, paragraph 3 of the agreement.
 - 3. DZH indemnifies the land-owner, provided it has complied with the provisions of paragraph 1 of the present Article, against claims by lawful users of the land in respect of disruption of the latter's enjoyment, and the land-owner indemnifies DZH against claims by third parties that could adversely affect the rights of DZH, insofar as the land-owner could reasonably be expected to be aware of such claims.
- Article IV 1. Once the laying, maintenance, repair or replacement work is complete the land shall be returned to the best possible condition.
 - 2. The land-owner and any user of the land shall remain in full enjoyment and use of the land in question insofar as this does not conflict with the building rights and associated rights granted to DZH.
 - 3. The land-owner shall refrain from any act whereby the transport of water using the structure could be stopped or impeded or which could cause danger to persons or property, and shall in particular refrain from erecting structures, storing goods, including waste, laying a sealed road surface, carrying out excavations, installing sewers, mains or cables, planting trees or deep-rooting

shrubs or driving objects into the land on the strip of land as defined in Article 3 of the agreement, or granting permission to a third party to perform such acts, without the written consent of DZH, which shall not refuse to cooperate on unreasonable grounds.

- Article V 1. DZH shall be liable for any damage to or destruction of buildings or other property owned by the land-owner as a result of the laying work, the proper use or inspection of the structure or maintenance, repair, replacement or relocation work.
 - 2. Compensation shall be payable insofar as the damage is adequately proven.
- Article VI As regards payments under Article V, in the event of co-ownership or co-use DZH shall in all circumstances be deemed to have discharged its liability by paying one of the co-owners or co-users respectively.
- Article VII1. In the event that the parties cannot reach an agreement either on the existence of damage or on the amount of any compensation under the present G.P.B., or on the decision whether or not to remove the structure as referred to in Article 12 of the agreement, the dispute - being deemed to exist if one of the parties notifies the other in writing that such dispute exists - shall be settled, to the exclusion of the regular courts, in the first and last instance by a jointly appointed arbiter, or, if one of the parties states a preference therefor, by three arbiters, of which each party shall appoint one and the third, who shall also act as chairman, shall be appointed jointly by the other two.
 - 2. If the parties are unable to agree on the choice of arbiter within thirty days of the notification in writing referred to in paragraph 1, or, if three arbiters are to be appointed, either one party or both parties does/do not designate the arbiter(s) to be appointed by it/them within the aforementioned time limit of thirty days, or the two arbiters appointed by the parties are unable to agree on the choice of the third arbiter and chairman within sixty days of the aforementioned notification in writing, the single arbiter, the missing arbiters or the third arbiter, as the case may be, shall be appointed by the President of the Court of the District where the land-owner lives or is registered upon application by the plaintiff.
 - 3. The arbiter or arbiters shall determine the procedure and adjudicate in accordance with the rules of law. His/their task shall continue irrevocably until his/their final adjudication. The costs of the proceedings, including the arbiter or arbiters, shall be paid by the party adjudicated to be wholly or largely in the wrong or, if such should be deemed fair, may be wholly or partly offset.
- Article VIII Where the present G.P.B., regarding the interpretation of the agreement, the present General Provisions or the deed of establishment, or regarding the structure and accessories, refers to the opinion of DZH, this is laid down in

the general interests of the uninterrupted transport of water, danger (to life) of persons and/or (substantial) damage to property, among other things, such matters requiring expertise such as that present at DZH. In the event of a dispute the said opinion shall be subject to the provisions of Article VII, with the proviso that the arbiter(s) shall take account of the provisions of this Article.

Article IX The land-owner hereby certifies that it has received the present G.P.B., taken cognizance of the content thereof and accepts it, as shown by the signing by a second copy of the G.P.B. also received by the land-owner, which was returned signed to DZH.

Drawn up and signed in duplicate on 9 April 1996 at The Hague.

NV Duinwaterbedrijf Zuid-Holland Land-owner:

[illegible signature]

[illegible signature]

General Director, PED Department B.J. Klerk

[logo: NV Duinwaterbedrijf Zuid-Holland]

Appendix

The DZH Agreement (including the General Provisions of DZH) entered into by the landowner and DZH, which shall be registered with the Land Registry, should take full account of:

- 1. The relevant provisions of the Domicile Agreement of the Commission (signed at The Hague on 8 December 1993, which took effect on 23 February 1994) and the Domicile Agreement of the OPCW as soon as this takes effect. (Copies are available if required.)
- 2. The privileges and immunities of the Commission/OPCW. No provision in the DZH Agreement may be deemed to imply any explicit or implicit waiving of a privilege or immunity that the Commission/OPCW enjoys under the Domicile Agreement or any other agreement.
- 3. The security of the Commission OPCW. DZH or any third party carrying out work on the water mains on the premises of the Commission/OPCW must obtain prior approval from the Commission/OPCW in writing. Such approval may be refused on reasonable grounds, e.g. for security reasons.
- 4. Amendments.

In the event of the DZH Agreement being amended by the parties, the Commission/OPCW shall be notified. If, however, the amendment relates to the present Appendix, the DZH Agreement may only be amended by the parties if the Commission/OPCW gives its prior approval thereto in writing.

APPENDIX 3

to the Lease of Land in Johan de Wittlaan, The Hague

Acknowledgement by the Municipality of the Agreement on the Takeover of Debt and Indemnity between the OPCW Foundation and Peace Building Catsheuvel B.V.

Municipality of The Hague [*logo*: Municipal Development Department]

Declaration of Consent to the Takeover of Debt

The undersigned,

The Municipality of The Hague, represented in the matter by B.J. Klerk, General Director of the Municipal Development Department, acting pursuant to the decision of the Council of the said Municipality of 28 March 1996 (Rv 94),

Hereby certifies:

That it has taken cognizance of the 'Agreement on the Takeover of Debt and Indemnity' entered into by the Stichting OPCW of Kettingstraat 2, 2511 AN The Hague, hereinafter referred to as 'the Foundation', and the limited liability company Peace Building Catsheuvel B.V. of Tournooiveld 4, 2511 CX The Hague, a copy of which agreement is attached to the present Declaration;

That it consents to the takeover of debt referred to in the Agreement and accepts the Foundation as the debtor for any financial obligations arising from the lease of the land situated in Johan de Wittlaan, The Hague, on which the offices of the OPCW are to be built.

The Hague, 15 April 1996

The General Director of the Municipal Development Department,

[illegible signature]

B.J. Klerk

AGREEMENT ON THE TAKEOVER OF DEBT AND INDEMNITY

THE UNDERSIGNED:

- 1. The foundation <u>STICHTING OPCW</u>, domiciled in The Hague at Kettingstraat 2, represented in the matter by its Chairman, R. Van de Laar, and its Secretary, P.M. Kurpershoek, hereinafter referred to as "the Foundation";
- 2. The limited liability company <u>PEACEBUILDING CATSHEUVEL B.V.</u>, registered and having its head office at Tournooiveld 4, The Hague, lawfully represented in the matter by its directors, J.G.M. Schröder Beheer B.V., registered under its Articles of Association in Leiden, represented by J.G.M. Schröder of Leiden, and F.D. van der Weide Beheer B.V., registered under its Articles of Association in Sassenheim, represented by F.D. van der Weide of Sassenheim, hereinafter referred to as "Peacebuilding Catsheuvel";

CONSIDERING:

- a. That the Municipality of The Hague (hereinafter referred to as "the Municipality") and the State of the Netherlands have worked together in close collaboration to persuade the Organisation for the Prohibition of Chemical Weapons, hereinafter referred to as "the OPCW", or the Preparatory Commission for the OPCW until such time as the OPCW has been set up, to establish itself in The Hague, to which end they have made offers to the OPCW including certain undertakings (hereinafter referred to as "the Offer and Undertakings"), attached to the present Agreement as Appendix 1;
- b. That under the Offer and Undertakings the Municipality and the State have undertaken to enable the OPCW to establish itself in The Hague under financial terms acceptable to the OPCW, including the clause that the rent shall not exceed the sum of NLG 5,700,000 per annum (1997 price level) for twelve years;
- c. That because of the special nature of the OPCW its accommodation needs to meet special requirements which increase the cost of developing and constructing a special office building for the OPCW, such that renting a building of this kind is not feasible within the aforementioned financial constraints;
- d. That an office building of this kind can only be developed and constructed by a commercial operator if special circumstances are created so that solely the cost of developing and constructing the building need be included in the rent and no element relating to the cost of purchasing the land on which the building is constructed need be included therein;
- e. That Peacebuilding Catsheuvel is prepared to take on the development and construction of the office building under the aforementioned terms;

- f. That the object of the Foundation is to implement the Offer and Undertakings (or have them implemented) in the context of the establishment of the OPCW in The Hague and it will try to achieve this object using any lawful means the Board of the Foundation deems suitable to achieving this objective;
- g. That, in view of the aforementioned considerations and the objective of the Foundation, the Foundation is prepared to take on the cost of purchasing the land on which the OPCW building is to be constructed if Peacebuilding Catsheuvel undertakes not to include any element relating to the purchase of the land in the rent charged to the OPCW as long as OPCW is the tenant of the office building to be constructed;
- h. That the aforementioned clause for the benefit of the OPCW has been implemented by Peacebuilding Catsheuvel in the "Preliminary" Tenancy Agreement entered into by the Preparatory Commission for the OPCW and Peacebuilding Catsheuvel, in which it is agreed that Peacebuilding Catsheuvel undertakes not to include an element relating to the cost of purchasing the land in the rent to be charged;
- i. That the Municipality has undertaken to lease in perpetuity the land situated in Johan de Wittlaan, The Hague, on which the construction is to take place, to Peacebuilding Catsheuvel under the conditions stated by the Municipality in the Lease;
- j. That the Foundation is prepared to accept the financial obligations upon Peacebuilding Catsheuvel arising from the aforementioned lease as its own debts and meet the said obligations;

AGREE AS FOLLOWS:

Article 1

- 1. Peacebuilding Catsheuvel shall pay a lump sum in respect of the annual ground rent and the management charge for the entire duration of the lease of NLG 13,500,000, plus a lump sum of NLG 312 in respect of the management charge, hereinafter referred to as "the lump sum". The lump sum plus VAT shall be payable on the commencement date of the lease.
- 2. The lump sum may be paid in a maximum of two instalments of NLG 6,500,156 each plus VAT. Payment of the first instalment shall take place on the date on which the lease of the land commences, but no later than 1 July 1997. Payment of the second instalment shall take place no later than 1 July 1998.
- 3. Interest at the rate of 8% shall be due on the lump sum from the commencement date of the lease until the date of payment to the Municipality.

Article 2

- 1. The Foundation undertakes to Peacebuilding Catsheuvel to take over the financial obligations towards the Municipality referred to in Article 1 and to meet them in relation to the Municipality as its own obligation. The Foundation indemnifies Peacebuilding Catsheuvel against any financial claims of the Municipality against Peacebuilding Catsheuvel under the lease referred to in the Preamble at I. Peacebuilding Catsheuvel shall pay/reclaim the turnover tax on the lump sum and management charge direct to/from the tax authorities.
- 2. The Foundation undertakes to Peacebuilding Catsheuvel, without prejudice to the foregoing provisions, to pay any further costs related to the lease of the land to Peacebuilding Catsheuvel on the date they fall due, including costs of conveyancing, interest, stamp duty etc.

Article 3

- 1. Peacebuilding Catsheuvel undertakes to the Foundation not to include an element relating to the land on which the OPCW building is to be constructed in the rent charged by it to the Organisation for the Prohibition of Chemical Weapons, or the Preparatory Commission of the Organisation for the Prohibition of Chemical Weapons, as the case may be.
- 2. This obligation shall be deemed a third-party clause for the benefit of the (Preparatory Commission of the) Organisation for the Prohibition of Chemical Weapons. Peacebuilding Catsheuvel shall impose this obligation on its successor(s) in law as a perpetual clause if it transfers its rights and obligations concerning the OPCW building. It undertakes to make mention of this perpetual clause in any deeds of transfer it draws up.

Article 4

The present Agreement is entered into under the suspensory condition that no duty on gifts is levied on any of the aforementioned transactions and that the Municipality consents to the takeover of debt agreed in the present Agreement.

Agreed at The Hague on 17 April 1996

The Foundation

Peacebuilding Catsheuvel

[illegible signatures]

[illegible signatures]

Annex 3

CERTIFIED DESCRIPTION REFERRED TO IN SECTION 1.1 OF THE GENERAL CONDITIONS

LIST OF OFFICIAL SPECIFICATION DOCUMENTS

1. Drawings architectural:

Number	Description		Scale	Date
B1-01	Site Plan		1:200	13-10-1995
B1-02	Parking Garage	3600 - P	1:100	30-11-1995
B1-02 B1-03	Lower Floor	3600 - P	1:100	13-10-1995
B1-04	Ground Floor	800 + P	1:100	13-10-1995
B1-05	Mezzanine	3000 + P	1:100	13-10-1995
B1-06	1st floor	5900 + P	1:100	13-10-1995
B1-07	2nd floor	9500 + P	1:100	13-10-1995
B1-08		13500 + P	1:100	13-10-1995
B1-09		16700 + P	1:100	13-10-1995
B1-10		20300 + P	1:100	13-10-1995
B1-11		23900 + P	1:100	13-10-1995
B1-12	7th floor	27750 + P	1:100	13-10-1995
B1-13	Roof Plan		1:100	13-10-1995
B2-01	Reflected Ceiling Plan I		1:100	13-10-1995
B2-02	Reflected Ceiling Plan (1:100	13-10-1995
B2-03	Reflected Ceiling Plan		1:100	13-10-1995
B2-04	Reflected Ceiling Plan	•	1:100	13-10-1995
B2-05	Reflected Ceiling Plan 7	7th floor	1:100	13-10-1995
B3-01	North Elevation		1:100	13-10-1995
B3-02	South Elevation		1:100	13-10-1995
B3-03	East Elevation		1:100	13-10-1995
B3-04	West Elevation		1:100	13-10-1995
B3-05	Cross-section A-A		1:100	13-10-1995
B3-06	Cross-section B-B		1:100	13-10-1995
B3-07	Elevations Executive Co	ouncil Room	1: 50	13-10-1995
B3-08	Guard house		1: 50	13-10-1995
B4	Not in specification pha	se		
B5-01	Interior Elevations entra	anaa hall	1: 50	13-10-1995
B5-01 B5-02			1:50	13-10-1995
	Interior Elevations deleg	•		
B5-03	Interior Elevations resta		1:50	13-10-1995
B5-04 B5-05	Interior Elevations E.C.		1:50	13-10-1995
B5-05	Interior Elevations meet	0	1:50	13-10-1995
B5-06	Interior Elevation centre	e core + detail plan	1: 50/5	13-10-1995
B6.01	North and South Stairca	ises	1: 50	13-10-1995
B6.02	Centre Staircase		1: 50	13-10-1995

			1
B6.03	Loadingdock + Guardhouse 2	1: 50	13-10-1995
B7-01	List of Room Finishings		13-10-1995
B8-03	Interior details	1:5 / 1:10	13-10-1995
B9-01 B9-02 B9-03	Elevation section vertical I Elevation section vertical II Elevation sections horizontal	1: 20 1: 20 1: 20	13-10-1995 13-10-1995 13-10-1995
B10-01	Exterior Details	1:5 / 1:10	13-10-1995
2.	Drawings Consultant Structural:		
Number	Description	Scale	Date
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Foundation piles building Foundation piles parking garage Lower floor Parking garage (basement) Ground floor Ground floor above the parking garage Mezzanine 1st floor 2nd floor 3rd floor 3rd floor 4th floor 5th floor 6th floor 7th floor Roof Facade-Elements AA + End-facades Facade-Elements EE,DD,CC,BB',X1,Y8 Inner walls	1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100 1:100	30-11-1995 30-11-1995 30-11-1995 30-11-1995 30-11-1995 30-11-1995 22-09-1995 22-09-1995 22-09-1995 28-07-1995 28-07-1995 28-07-1995 22-09-1995 15-09-1995 22-09-1995
18 C 30.03 19 C 90.01 20 C 0 80 21 C 3 80 32 C 50 04 33 C 50 05 38 C 50 06	Guard house Details Ground Floor Principle details Sections ECR axes Y4 and Y5 Sections ECR axes X5 and I/J Sections Roof	1:100 1:20 1:20 1:50 1:50	22-09-1993 28-07-1995 15-09-1995 15-09-1995 15-09-1995 15-09-1995

<u>Note</u>: The titles of documents are listed as they appear on the original drawings. Underlined translations are for clarification.

- 3. Specification in behalf of: Office building for the OPCW The Hague Specification Nr. 495-012, date: 7 december 1995.
- 4. Specification 79525/01/W/R, dd 28 July 1995, with respect to the Mechanical Installations. For drawings and addenda see following pages : "Ad 4".
- 5. Eerste Nota van Wijzigingen (<u>First Note of Alterations</u>) 79525/02/W/R dd 1 November 1995.
- 6. Specification 79525/01/E, dd 28 July 1995, with respect to the Electrical Installations. For drawings and addenda see following pages : "Ad 6".
- 7. Eerste Nota van Wijzigingen (<u>First Note of Alterations</u>) 79525/01/E dd 3 October 1995.
- Specification 79525/01/Tr , dd 28 July 1995, with respect to the Transport Installations.
 For drawings and addenda see following pages : "Ad 8".
- 9. Eerste Nota van Wijzigingen (First Note of Alterations) 79525/01/Tr dd 13 October 1995.
- **10. Specification 79525/11/Ke**, **dd 28 July 1995**, with respect to the Kitchen Installations. For drawings and addenda see following pages : "Ad 10".
- 11. Eerste Nota van Wijzigingen (<u>First Note of Alterations</u>) 79525/11/Ke dd 1 November 1995.

DETAILED-LIST OF DRAWINGS AND ADDENDA WITH RESPECT TO THE TECHNICAL INSTALLATIONS, as indicated above under section 4, 6, 8 and 10.

Note: The titles of documents are listed as they appear on the original drawings. Underlined translations are for clarification.

Ad 4. Drawing list mechanical and technical controlling installations All drawings are dated 28 July 1995, unless indicated otherwise below

(Sanitary appliances, installations for cold water, hot water, dirty water, drainage, rainwater drainage, heating, refrigeration and air-conditioning)

No	Description		Scale	
001 A	Terrein (ground)		1:200	d.d. 25.09.95
002	Kelder (<u>cellar</u>)	- 3600	1:100	
003	Begane grond (ground floor)	+ 800	1:100	
004	Begane grond (ground floor)	+3000	1:100	
005	1e verdieping (<u>1st floor</u>)	+ 5900	1:100	
006	2e verdieping (2nd floor)	+9500	1:100	
007	3e /m 5e verdieping (<u>floor 3-5</u>)	+ 13.100	1:100	
008	6e verdieping (<u>6th floor</u>)	+23.900	1:100	
009	7e verdieping (<u>7th floor</u>)	+27.500	1:100	
010A	Dak (<u>roof</u>)		1:100	d.d. 25.09.95
050	Sanitaire groepen (sanitary group	<u>os</u>)	1:50	
051	Sanitaire groepen (sanitary group	Sanitaire groepen (sanitary groups)		
052	Indeling schachten (lay-out shaft	Indeling schachten (lay-out shafts)		
053	Coördinatietekening standaard kantoor (coordination drawing standard office)		1 : 50	
Air-techni	ical installations			
201	Parkeerlaag (parking area)	- 3600	1:100	
202	Kelder (<u>cellar</u>)	- 3600	1:100	
203	Begane grond (ground floor)	+ 800	1:100	
204	Begane grond (ground floor)	+3000	1:100	
205	1 a wandianin a (1 at flaan)	5000	1.100	

204	Begane gronu (<u>ground noor</u>)	+3000	1.100
205	1e verdieping (<u>1st floor</u>)	+ 5900	1:100
206	2e verdieping (2nd floor)	+9500	1:100
207	3e verdieping (<u>3rd floor</u>)	+ 13.100	1:100
208	4e verdieping (<u>4th floor</u>)	+ 16.700	1:100
209	5e verdieping (5th floor)	+20.300	1:100
210	6e verdieping (6th floor)	+23.900	1:100
211	7e verdieping (7th floor)	+27.500	1:100
220	Techniekruimte 7e verdieping		1:50
	(technical room 7th floor)		
221	Techniekruimte dak (technical r	<u>coom, roof</u>)	1:50

Technical control installations

801	Symbolenlijst (ingebonden in bestek) (list of symbols - included in		
	specifications)		
802	Processchema CV-installaties (process scheme central heating installations)		
803	Processchema GKW-installaties (process scheme GKW installations)		
804	Processchema water + afvoer (process scheme water + drainage)		
805	Processchema luchttechnische installaties LBK1 (process scheme air technical		
	installations LBK1)		
806	Processchema luchttechnische installaties LBK2 (process scheme air		
	technichal installations LBK2)		
807	Processchema luchttechnische installaties LBK3 (process scheme air technical		
	installations LBK3)		
808	Processchema luchttechnische installaties details (process scheme air technical		
	installations details)		
809	Processchema luchttechnische installaties luchttoe- en afvoerinstallaties		
	(process scheme air technical installations air supply and air outlets		
	installations)		

Attachments:

Bijlage 00-01 Bijlage 00-02 Bijlage 00-03	Leidingmatentabel (<u>table of sizes of pipes</u>) Bouwkundige voorzieningen (<u>construction provisions</u>) Fabrikatenlijst werktuigkundige installaties (<u>production list of mechanical</u> <u>installations</u>)
Bijlage 60-I	CV-pompen (central heating pumps)
Bijlage 61-I	Specificaties volumeregelaars en naverwarmers (specifications volume
	<u>controllers</u> and afterheaters)
Bijlage 62-I	Gekoeldwaterpompen (cool-water pumps)
Bijlage 68-I	Lijst van procesnummers (list of process numbers)
Bijlage 68-II	Overzicht elektrische vermogens (overview electrical capacities)
Bijlage 68-III	Fabrikatenlijst regeltechnische installaties (production list of control engine
	installations)

Ad 6. Drawing list electricotechnical installations

All drawings are dated 28 July 1995, unless indicated otherwise below

No	Floor	Subject	
401	Parkeergarage (Parking garage)	Licht-/noodlichtinstallatie (<u>lighting/er</u> lighting in	- · ·
402	Kelder (<u>Cellar</u>)	Licht-/noodlichtinstallatie "	
403	Begane grond+800 (ground floor+800)	Licht-/noodlichtinstallatie "	
404	Begane grond+3000 (ground floor+3000)	Licht-/noodlichtinstallatie "	
405	1e verdieping (First Floor)	Licht-/noodlichtinstallatie "	
406	2e verdieping (Second Floor)	Licht-/noodlichtinstallatie "	
407	3e verdieping (Third Floor)	Licht-/noodlichtinstallatie "	
408	4e verdieping (Fourth Floor)	Licht-/noodlichtinstallatie "	
409	5e verdieping (Fifth Floor)	Licht-/noodlichtinstallatie "	
410	6e verdieping (Sixth Floor)	Licht-/noodlichtinstallatie "	

411	7e verdieping (<u>Seventh Floo</u> r)	Licht-/noodlichtinstallatie "
421	Parkeergarage (Parking garage)	Kabelgoten/Zwakstroom/kracht (<u>cable runs</u>
		/low voltagecurrent/power)
422	Kelder(<u>Cellar</u>)	Kabelgoten/Zwakstroom/kracht "
423	Begane grond+800(Ground floor+800)	Kabelgoten/Zwakstroom/kracht "
424	Begane grond+3000(Ground floor+3000)	Kabelgoten/Zwakstroom/kracht "
425	1e verdieping (First Floor)	Kabelgoten/Zwakstroom/kracht "
426	2e verdieping (Second Floor)	Kabelgoten/Zwakstroom/kracht "
427	3e verdieping (Third Floor)	Kabelgoten/Zwakstroom/kracht "
428	4e verdieping (Fourth Floor)	Kabelgoten/Zwakstroom/kracht "
429	5e verdieping (Fifth Floor)	Kabelgoten/Zwakstroom/kracht "
430	6e verdieping (Sixth Floor)	Kabelgoten/Zwakstroom/kracht "
431	7e verdieping (Seventh Floor)	Kabelgoten/Zwakstroom/kracht "
432	Dak (<u>Roof</u>)	Kabelgoten/Zwakstroom/kracht "
434	Keuken 1e verdieping Krachtinstallaties (pov	wer installations)
	(kitchen 1st floor)	

440 Fundering (Foundation) Aarding-/Bliksemafleiderinstallatie earthing/ lightning rod installation) Aarding-/Bliksemafleiderinstallatie 442 Kelder (Cellar) " " 443 Begane grond+800(Ground Floor) Aarding-/Bliksemafleiderinstallatie Begane grond+3000(Ground Floor) Aarding-/Bliksemafleiderinstallatie " 444 " 1e verdieping (First Floor) Aarding-/Bliksemafleiderinstallatie 445 " 446 2e verdieping (Second Floor) Aarding-/Bliksemafleiderinstallatie 3e verdieping (Third Floor) " 447 Aarding-/Bliksemafleiderinstallatie 448 4e verdieping (Fourth Floor) Aarding-/Bliksemafleiderinstallatie " 5e verdieping (Fifth Floor) •• 449 Aarding-/Bliksemafleiderinstallatie " Aarding-/Bliksemafleiderinstallatie 450 6e verdieping (Sixth Floor) " 451 7e verdieping (Seventh Floor) Aarding-/Bliksemafleiderinstallatie Aarding-/Bliksemafleiderinstallatie .. 452 Dak (Roof) 461 Schema (Scheme) Hoofdschakel- en verdeelinrichting (main switch and junction installation) 462 A4-boek (A4 book) Schema's schakel- en verdeelinrichtingen (schemes switch and junction installations) 463 Blokschema (block scheme) Licht- en noodlichtinstallatie (lighting and emergency lighting installation) Blokschema (block scheme) Kracht- en noodkrachtinstallatie 464 (power and emergency power installations) 471 Terrein (ground) Elektrische installaties (electrical installations) Symbolenverklaring Elektrische Installaties 475 A4-boek (<u>A4 book</u>) (explanation of symbols electrical installations) 481 Schema (Scheme) Brandmeldinstallatie (fire alarm installation) Schema (Scheme) Volsignalering Parkeergarage 482 ('full' signalling parking garage) 483 Principeschema (Principal Scheme) Conferentie- en AV-installatie (conference and AV installation) Ontruimingsinstallatie 484 Blokschema (block scheme)

		(evacuation installation)
485	Blokschema (block scheme)	CAI-installatie (CAI installation)
486	Schema (<u>Scheme</u>)	Potentiaal vereff. en aarding
		(potential adjustment and earthing)
487	Schema (<u>Scheme</u>)	Signalering MIVA-toilet (signalling MIVA
		<u>toilet</u>)
488	Schema (<u>Scheme</u>)	Zonwering/verduistering conferentiezaal
		(sun-blinds/darkening conference room)
489		Bekabelingssysteem Executive Council
		(cabling system Executive Council)
490	Schema (<u>Scheme</u>)	Blokschema Telematica Installaties
		(block scheme telematics installations)

501	Site plan	Beveiligingsplan (security plan)
502	Parkeerkelder (Parking cellar)	Beveiligingsplan "
503	Kelder (<u>Cellar</u>)	Beveiligingsplan "
504	Begane grond+800 (Ground floo	<u>r</u>) Beveiligingsplan "
505	Begane grond+3000 (Ground flo	or) Beveiligingsplan "
506	le verdieping (<u>first floor</u>)	Beveiligingsplan "
507	2e verdieping (second floor)	Beveiligingsplan "
508	3e verdieping (third floor)	Beveiligingsplan "
509	4e verdieping (fourth floor)	Beveiligingsplan "
510	5e verdieping (<u>fifth floor</u>)	Beveiligingsplan "
511	6e verdieping (sixth floor)	Beveiligingsplan "
512	7e verdieping (seventh floor)	Beveiligingsplan "
513	Dak (<u>roof</u>)	Beveiligingsplan "
580	Schema (<u>Scheme</u>)	Toegangsbeheer (access control)
581	Schema (<u>Scheme</u>)	CCTV-installatie (CCTV installation)
582	Schema (<u>Scheme</u>)	Intercom-installatie (intercom installation)
583	Schema (<u>Scheme</u>)	Inbraakdetectie en deursignalering (burglar
		detection and door signalling)

Overige bijlagen: (other attachments):

Bijlage 70-I	Overzicht toe te passen fabrikaten (overview products to be applied)
Bijlage 70-II	Armaturenlijst (list of armatures/fittings)
Bijlage 70-III	Bouwkundige voorzieningen (construction provisions)
Bijlage 70-IV	Beveiliging (security)
Bijlage 70-V	Telefoonsysteem (telephone system)
Bijlage 70-VI	Overzicht aantal 19" kasten en patch panelen per SER (overview number
	of 19" cabinets and patch panels per SER)

Drawing	Description	Scale	Date	
(00	Leastin 1: ft 1 t/m 5	1.200	29.07.1005	
600 601	Locatie lift 1 t/m 5 Lift 1, 2 en 3	1:200 1:20-1:100	28-07-1995 28-07-1995	
601 602	Lift 4	1:20-1:100	28-07-1995	
602 603	Goederenlift 5 (<u>lift for goods</u>)	1:20-1:100	28-07-1995	
005	Goederennit 5 (<u>int for goods</u>)	1.20-1.100	28-07-1995	
610	Dakwageninstallatie	1:5-1:10-1:100	28-07-1995	
611	(<u>Roof wagon installation</u>) Hangbaaninstallatie	1:20-1:100	28-07-1995	
011	(<u>Hanging wagon installation</u>)	1.20-1.100	28-07-1995	
	(<u>Hanging wagon instantion</u>)			
Biilage 80 1	Opgave van door derden om niet te le	everen te installeren en a	an te sluiten voorzieningen	
Dijiuge oo.i	ten behoeve van de liftinstallatie			
Encl. 80.1	Statement by third party not to delive		behalf of lift installation	
<u></u> 0 000	<u></u>			
Bijlage 84.1	Opgave van door derden om niet te le	everen, te installeren en a	an te sluiten voorzieningen	
ten behoeve van de gevelwasinstallaties.				
<u>Encl.</u> 84.1	Statement by third party not to delive	er, install and connect on	behalf of	
	cranes (window-washing equipme	<u>ent).</u>		
Ad 10	Drawing list kitchen installations			
Page	Name		Scale	
KE-1	Restauratieve voorzieningen			
	eerste verdieping, d.d. 28 juli 1995		1:50	
	(restaurant provisions 1st floor, dated	<u>l 28 July 1995</u>)		
D''1 50 (111 1		
Bijlage 59-0	•			
	(details kitchen counters and work tops)			

Ad 8. Drawing list lifts and window-washing installations

General conditions and administrative conditions, see separate part under this title dated 28 July 1995.

Annex 4

ADDITIONAL ORDERS FOR CONSTRUCTION REFERRED TO IN SECTION 5.2(A) OF THE (PRELIMINARY) TENANCY AGREEMENT

Corresponding Rent

Offer Additional orders included in specification documents 4,055,310 77,260

Total level of rent:

4,132,570

Annex 5

List of Special OPCW Requirements referred to in Section 5.2(b) of the (Preliminary) Tenancy Agreement

Corresponding Annuity:

1.194.400

Items included in the offer:

Movable partitioning walls incl. doors + hardware, glassfillings, etc., incl. sound deadening part. above ceiling. Anti graffiti on Ground Floor elevations Sliding partitioning walls OCC incl. sound deadening part. above ceiling Access control systems (complete system with barriers, card controlequipment, PC's, software, etc) Burglary prevention (open doors/windows- and broken glass-alarm, PC's, read outs, PIR detectors on roof, portable transmitters/receivers, etc. CCTV systems (camera's, video monitors, etc.) Pin code equipment Intercom system Video printer Fences in NCC garage Speedgates in outside fences Carpeting incl. installing Pantry and kitchenette equipment incl. boilers Waste compaction unit Storage desks **Reception desks** Bar counter and kitchenette Counter for bank and/or travel agency Wardrobe facilities Telephone boxes **Pigeon** holes Dockleveler Toilet, wardrobe facilities Director General Sinks, sanitary facilities medical rooms Sound and conference installations c.a. ECR Telephone exchange and phones Restaurant and kitchen equipment Data and telephone cabling Emergency power unit UPS computer installation Airco computer room Fire extinguishing system computer room

> Cool-unit storage goods entrance Costs consultant OPCW (+Foundation)

Additional orders:

149.054

Sliding wall between meeting rooms Ground Floor Rear projection Extra pantries Deletion of anti graffiti on Ground Floor elevations Anti graffiti on Brickwork piers of fences Access controlling doorlocks on partitions liftlobbies Bar cabinets and shelving Millwork finishings telephone walls Counterdesk conference services Millwork pigeon holes Guardhouse counter and worktop Deletion sliding wall 7th floor axes 9/BB Additional security provisions guardhouse (provisional) Additional kitchen facilities (provisional) Extra cardreaders entrance hall (provisional) Bar equipment Adaption M+E 6th floor computer storage room Bicycle racks near entrance gate Curtain ECR and press Computerised doorlockunits Electrical outlets for generator vans Additional cameras

Total level of annuity sum:

1,343,454 ======

Annex 6

Description of "surrounding area" referred to in Section 4.6(a) of the General Conditions

The surrounding area as referred to in Section 4.6(a) of the General Conditions is the area bounded by Van Boetzelaerlaan, de Zwijgerlaan, Eisenhowerlaan, Scheveningseweg, Adrian Goekooplaan, Johan de Wittlaan, Stadhoudersplantsoen, 2e Sweelinckstraat, Lübeckstraat and Conradkade. For illustrative purposes, as at March, 1996, the following buildings met the critera stipulated in Section 4.6(a) of the General Conditions:

1	Churchillplein 1	Aegon/Yugoslavia Tribunal		ca. 20,	000 m^2
2	Churchillplein 6	KPMC	3	ca. 20,	000 m ²
3	Eisenhowerlaan 146		Wintershal		ca. 2,000 m ²
4	Pres. Kennedylaan 19-2	21	to let		ca. 5,000 m ²
5	Stadhoudersplantsoen 2		Nederlandse Ombudsman		ca. 3,000 m ²
6	Stadhoudersplantsoen 2	4	Arthur Andersen		ca. 5,000 m ²
7	Verhulstplein 214		NUTS Verzekering		ca. 20,000 m ²
8	Johan de Witlaan 3-7		Verkeer & Waterstaat		ca. 14,000 m ²
9	Johan de Witlaan 15		NCW		ca. 4,000 m ²

C-I/DEC/5 Understandings page 62

UNDERSTANDINGS BETWEEN THE HOST COUNTRY AND THE PREPARATORY COMMISSION FOR THE OPCW CONCERNING THE IMPLEMENTATION OF PARAGRAPHS 6, 7, 9 and 11 OF ANNEX 3 OF THE PARIS RESOLUTION*

The Preparatory Commission for the Organisation for the Prohibition of Chemical Weapons (hereinafter called the 'Commission') and the Government of the Kingdom of the Netherlands and the Municipality of The Hague (hereinafter called the 'Host Country'), have reached the following understandings which will form the basis for their future actions with regard to the implementation of paragraphs 6, 7, 9 and 11 of Annex 3 of the Paris Resolution.

Ι

- 1. The Paris Resolution is the basic legal framework in any negotiations between the Commission and the Host Country concerning the OPCW accommodation as well as any other matters part of the Netherlands Bid. The Host Country will remain responsible for the implementation of Annex 3 of the Paris Resolution.
- 2. The Commission recognises the financial constraints under which the Host Country must function. The Host Country also recognises the constraints under which the Commission must operate. The Commission and the Host Country are therefore willing to cooperate in keeping expenses related to the implementation of paragraphs 6, 7, 9 and 11 of Annex 3 of the Paris Resolution predictable to the greatest extent possible.
- 3. The Host Country guarantees that as long as the Commission and the OPCW remain in the tailor-made building on the Catsheuvel site, the Commission and the OPCW will never under any circumstances have to pay any compensation whatsoever to anyone for the use of the site. This guarantee applies regardless of whether the Commission and the OPCW rent, lease or buy the tailor-made building, now or in the future from whatever owner.

^{*} Resolution Establishing the Preparatory Commission for the Organisation for the Prohibition of Chemical Weapons, Paris, 13-15 January 1993.

- 4. The Host Country, in close consultation with the Commission, will conclude a development agreement with the property developer for the construction of the new purpose built office building. The development agreement shall stipulate that the building will be fully ready for occupancy 30 months after signature of the development agreement, provided that the Commission meets the planning deadlines set out in an addendum to the development agreement. The Commission will enter into a preliminary tenancy agreement with the property developer, to be confirmed by the Conference of the States Parties at its First Session, to rent, lease, or buy the new building.
- 5. In case that the Host Country is not obliged to rent the office building at Laan van Meerdervoort 51 for the full maximum period of 5 years as mentioned in Annex 3, paragraph 5 of the Paris Resolution, the amount of money which would be needed to pay the rent for the remaining period until the end of this period of maximum 5 years, will be used to contribute to the actual rental cost for interim-accommodation for the Commission and/or the OPCW. This contribution will be paid after the mentioned period of 5 years.
- 6. The Commission undertakes to formally recommend to the Conference of States Parties at its First Session that the OPCW rent or lease, based upon conditions agreed in the above mentioned preliminary agreement, for 15 years (including the three years to be paid by the Host Country in terms specified in paragraph 7 and 8 hereof) the tailor-made building which will be built on the Catsheuvel site. Alternatively, as specified in paragraph 10, the Commission may also recommend to the Conference of States Parties to purchase the building.
- 7. The Host Country will reimburse the OPCW for the annual rental costs of the building (110 parking places included) and the annual cost of the depreciation of its fit-up (turn key cost) and maintenance costs for a period of three years beginning on the date when the OPCW rents or leases the building. Such reimbursement will amount to the actual costs incurred by the OPCW, as agreed in the tenancy agreement and the development agreement, which are quoted for by PROVAST at Dfl. 5,249,710 per year, indexed to 1997 price levels. In addition to the annual rental costs, for the same period of three years the Host Country will pay the energy costs (heating, cooling, electricity, water).
- 8. The Host Country will reimburse, additionally, the OPCW for extra costs during the same three year period which may arise out of decisions taken during the design phase, the development phase or the construction phase of the new building, provided that any such decisions have prior approval from the Host Country. The total extra reimbursement of costs mentioned above in this paragraph will never exceed Dfl. 400,000 per year (indexed as from 1997). Therefore, the total payments of the Host Country specified in paragraphs 7 and 8 hereof shall not exceed the amount of Dfl. 5,700,000 per year (indexed to 1997 price levels).
- 9. During the balance of 12 years, the cost to the OPCW for the rental of the building will not exceed Dfl. 5,700,000 (indexed to 1997 price levels), provided that any

changes in the Programme of Requirements initiated and approved by the Commission (PC-VI/A/4) do not exceed the level specified in paragraph 8 above.

- 10. Should the Commission or the OPCW decide to purchase the building, the Host Country undertakes to make the same annual financial contribution to the purchase price of the OPCW building as stated in paragraphs 7 and 8 hereof.
- 11. Security outside the OPCW premises as defined in the OPCW Headquarters Agreement will be provided by the Netherlands at no cost to the OPCW. Internal security within those premises will be the responsibility of the OPCW.
- 12. The Host Country will provide the OPCW with the conference accommodation and facilities for the First Session of the Conference of the States Parties as well as for the sessions of the Conference of the States Parties during the first two years after entry into force (this does not necessarily imply calendar years).
- 13. The Host Country will thereafter provide the OPCW with accommodation and facilities for one session of the Conference of the States Parties per year up to 8 February 2001 and for any special sessions when needed during the same period. The accommodation and facilities will be provided to the OPCW for a period requested by the OPCW, with a maximum of 9 days per session as follows:
 - 2 days preparation for the session of the Conference of the States Parties;
 - 5 days for the actual session;
 - 1 day extra;
 - 1 day dismantling of the facilities.
- 14. The conference accommodation and facilities mentioned in paragraphs 12 and 13 will be in the Netherlands Congress Centre in The Hague, and will consist of the following:
 - 1 fully equipped meeting room with 7 interpreters' booths and debating installation for approximately 140 delegations consisting of 6 persons;
 - Carel Willink Hall and associated rooms as rented by the Commission in June 1993;
 - Frans Hals room, Mesdag 1 & 2 rooms and Maris 1 & 2 rooms, or equivalent space as well as partitioning and curtains necessary to create auxiliary rooms as used during the Sessions of the Commission;

- For Special Sessions the conference facilities will be limited to the Carel Willink Hall and the associated rooms as rented by the Commission in June 1993, plus the Frans Hals room, Mesdag 1 & 2 rooms and Maris 1 & 2 rooms or equivalent space as well as partitioning and curtains necessary to create auxiliary rooms as used during the Sessions of the Commission;
- In all cases, additional areas agreed by the OPCW and the Host Country necessary to ensure security.
- 15. The Host Country will, for a period of three years, reimburse the OPCW for the actual annual cost of the rent or lease of a laboratory and the equipment storage facilities in the Netherlands as well as the turn key cost (carpeting, partitioning) and maintenance costs up to a maximum of Dfl. 250,000 per year (indexed to the prices of the first year of occupation). In addition, during the same period the Host Country will also pay for the energy costs (heating, cooling, electricity, water) with respect to the laboratory and equipment storage facilities. The Commission or the OPCW may itself determine the beginning of the three-year period in question. The Commission or the OPCW can decide to purchase the laboratory and equipment storage facilities in which case the Host Country undertakes to make the same annual financial contribution to the purchase price of the OPCW laboratory and equipment storage facilities.
- 16. The further implementation of the Netherlands Bid with regard to the supply of office furniture, office equipment, telephones and fax machines will proceed in the same way as at present.
- 17. The Host Country will pay the actual costs of certified Module 1 training programme for 135 inspectors, on the condition that any such training programmes will take place in the Netherlands, and will be organised by or under the responsibility of the TNO. The Preparatory Commission will reimburse the Host Country for accommodation and meals up to Dfl. 700 per week per student.
- 18. The above paragraphs represent an agreed interpretation of all aspects of paragraphs 6, 7, 9 and 11, including the costs of discharging the Host Country's undertakings, as at November 1994. If circumstances arise in the future, which could not have been foreseen at the moment of adoption of these understandings and which could affect these interpretation, the Host Country and the Commission will consult to seek solutions in good faith and in the spirit of the Paris Resolution.

C-I/DEC/5 Supplementary Understandings page 66

SUPPLEMENTARY UNDERSTANDINGS BETWEEN THE PREPARATORY COMMISSION FOR THE OPCW AND THE HOST COUNTRY RELATING TO THE PRELIMINARY TENANCY AGREEMENT FOR THE NEW PURPOSE-BUILT OFFICE BUILDING

The Preparatory Commission for the Organisation for the Prohibition of Chemical Weapons (hereinafter called the 'Commission') and the Government of the Kingdom of the Netherlands and the Municipality of The Hague (hereinafter called the 'Host Country'), further to paragraphs 4, 6, 7 and 8 of the Understandings, which set out the legal and financial arrangements for the new purpose-built office building, and recalling the Commission's decision (subparagraph 9.6(a) of PC-X/23) that the three-year period when the rent for the new purpose-built office building will be paid by the Host Country shall commence on the date of delivery of that building, have reached the following Supplementary Understandings.

- 1. The Commission will sign with the property developer a Preliminary Tenancy Agreement which will enter into force after its confirmation by the Conference of the States Parties at its First Session and will terminate 15 years from the date of delivery of the new purpose-built office building.
- 2. If, on the date of delivery of the building, the OPCW does not yet exist, the Secretariat of the Commission will move into the new building. From that date the OPCW Foundation, acting as agent for the Host Country, will be the lessee of the building for a maximum term of three years. The legal relationship between the Commission and the OPCW Foundation during this period will be arranged in a separate agreement. If the Convention enters into force during the three-year period, the OPCW will become the lessee and the OPCW Foundation will pay for the rent for the balance of the three-year period.
- 3. If the OPCW still does not exist three years after delivery of the building, the Secretariat of the Commission will have the option to remain in the building on the same terms and conditions. In that case, the Commission will take over from the OPCW Foundation the Tenancy Agreement as the tenant for a period of one year or until the Commission ceases to exist, whichever comes earlier. As long as the Commission exists, it will decide on an annual basis whether to prolong the Tenancy Agreement.
- 4. If the Commission decides not to take over or to prolong the Tenancy Agreement as mentioned under paragraph 3 above, the Secretariat of the Commission will vacate the building. As long as there is no new tenant, the Host Country will assume the necessary guarantees towards the lessor. The lessor and the Host Country will then both have the right and the obligation to look for a new tenant as soon as possible or otherwise to dispose of the building.

5. If the Conference of the States Parties at its First Session does not confirm the Preliminary Tenancy Agreement signed by the Executive Secretary and the property developer, the Host Country will assume the necessary guarantees towards the lessor. The lessor and the Host Country will then both have the right and the obligation to look for a new tenant as soon as possible. In that case the OPCW has the option to remain in the building until the end of the three-year period as mentioned above, at which time it shall either take over the tenancy or vacate the building.

PROPOSED NEW DEAL WITH PAAGMAN FOR ADDITIONAL FURNITURE SUPPLY

1. Existing deal (Paris Resolution basis)

- (a) OPCW will use Paagman for three years after EIF as sole supplier for office supplies, office furniture and equipment as defined in Legal Series PC-OPCW I Addendum 1;
- (b) Paagman's price will contain the buying price to his organisation (80%) and a gross margin of 20% (the original deal between Paagman and the City of The Hague, specified 20.5% but Paagman's accounts computer finds this inconvenient and the 0.5% basis has been unilaterally abandoned by him);
- (c) Furniture supplied by Paagman will have a value of Dfl. 4,784.50
 (1996 values) per new staff position on the establishment (it is assumed that furniture already provided in LvM51 equivalent to 200 staff will be transferred to the new building);
- (d) Furniture remains property of Paagman. All furniture is discounted from book price by 10% per year. When the relationship ends, furniture must be returned or purchased at discounted value. If relationship is renewed, furniture will be replaced at 8 years old (i.e. when discounted to 20% of original value).

2. Proposed revised deal

(a) Paagman's sole supplier status would be extended by an additional 5 years initially (i.e. to 8 years after EIF) with automatic extensions for 12 months if notice to cancel is not given <u>9</u> months before the end of the term. If the contract is cancelled, the Organisation will purchase furniture supplied by Paagman at the discounted value as at the date of the end of the contract;

(b) <u>Discounted values</u>

(i) Soft (upholstered) furniture will continue to be discounted at 10% per year and will be replaced with new furniture, therefore, after 8 years when the discounted/residual value has reached 20%.

C-I/DEC/5 Paagman B.V. page 69

- Hard furnishings will be discounted at 5% per year and will be (ii) after with new furniture 16 replaced years when the discounted/residual value has reached 20%; in any year after discounted/residual value has reached 35% (year 13), the OPCW may seek replacement of the furniture subject to payment to the solesupplier of the difference between the then discounted/residual value (e.g. year 14, 30%) and the base discounted/residual value of 20% (i.e. a payment of 10%).
- In addition to the furniture calculated on staff establishment basis as in 1(c) above, Paagman will supply new furniture in the new building for public areas ECR, Meeting Rooms, Delegates' Lounge, Restaurant, etc. to a book value of Dfl. 2,000,000 (including interior design fees, etc.);
- (d) For convenience, all furniture transferred from LvM51 to the new building will be considered as having been supplied in May 1994.

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