



**CONTRACT  
No. 2010-00XX-P**

RFE/RL, Inc., a Delaware non-profit corporation ("RFE/RL"), and the contractor named below (the "Contractor"), mutually agree to perform this Contract in strict accordance with the Terms and Conditions attached hereto and incorporated herein and the schedules of specifications, and conditions, if any, attached hereto (collectively, the "Schedules").

<p><b>1. NAME AND ADDRESS OF CONTRACTOR:</b></p> <p>TBD</p>
<p><b>2. SCHEDULES ATTACHED:</b> The Statement of Work the contract terms and conditions, and appendices.</p>
<p><b>3. CONTRACT AMOUNT (with option years):</b></p> <p>Base Year:</p> <p>Option Year 1 Option Year 2 Option Year 3 Option Year 4 Total: All numbers include VAT</p>
<p><b>4. FUNDING AND PAYMENT SCHEDULE:</b></p> <p>Funding by Fiscal Year FY 10: FY 11: FY 12: FY 13 FY 14 Total:</p> <p>Monthly invoice, details in Article 3 of this contract.</p>

<p><b>5. ADDRESS AND CONTACT INFORMATION FOR RFE/RL</b></p> <p><b>RFE/RL</b> Vinohradská 159A 100 00 Prague 10</p>
<p><b>6. CONTRACT:</b> Food Services at RFE/RL.</p>
<p><b>7. PERIOD OF PERFORMANCE FOR SERVICES</b></p> <p>Base year Option Year 1 Option Year 2 Option Year 3 Option Year 4</p>
<p><b>8 DESIGNATED REPRESENTATIVE IDENTIFIED with DUTIES RESPONSIBILITIES AND LIMITATIONS DEFINED IN ARTICLE 4 OF THIS CONTRACT.</b></p> <p>TBD</p>

CONTRACTOR:  
Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

RFE/RL, INC.  
Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**THIS CONTRACT IS SUBJECT TO THE TERMS AND CONDITIONS ATTACHED.**

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## C. STATEMENT OF WORK (SOW)

### REQUIREMENTS FOR THE PROVISION OF FOOD SERVICES

#### 1. INTRODUCTION

- 1.1. COMPANY INFORMATION - RFE/RL is an independent, international news, and broadcast organization whose programs – radio, Internet, television, and print – reach influential audiences of 20 countries such as Russia, Iran, Iraq, Afghanistan and the republics of Central Asia. RFE/ RL is incorporated in the State of Delaware as a not for profit company, 501.3(c), federally funded by a grant from the U.S. Broadcasting Board of Governors in Washington, DC. RFE/RL's headquarters resides at the Hagibor office building (HOB), 159A Vinohradska, Prague 10.
- 1.2. OVERVIEW OF COMPANY OPERATIONS - The mission of RFE/RL is to promote democratic values and institutions by reporting the news in countries where a free press is banned by the government or not fully established. RFE/RL's journalists provide what many people cannot get locally: uncensored news, responsible discussion, and open debate. Today, audiences rely on RFE/RL's daily programming—radio, Internet, television, and print—for a balanced and reliable account of events in their region and the world. More than 1,000 hours of programming a week are broadcast from the RFE/RL headquarters in Prague, Czech Republic and from 19 local bureaus. RFE/RL also maintains a corporate office in Washington, D.C.
- 1.3. EMPLOYEE DEMOGRAPHICS - RFE/RL's Prague based employees are one of the Czech Republic's most diverse groups. Due to the nature of its operational reach, this group is comprised of Czech staff supporting its broadcast operations (32%), US Management and Staff (18%) and Language Services/Central Newsroom Staff from Eastern Europe (16%), Central Europe (11%), Mediterranean (10%), Central Asian (8%) and Middle Eastern (5%) countries. Employees who follow Islam comprise approximately 22% of the workforce. The language of operation at RFE/RL is English, with Czech and Russian being of secondary use.

#### 2. FOOD SERVICE FACILITIES IN HOB

- 2.1. RFE/RL's Headquarters houses a food service facility consisting of a Café on the fourth floor and a Restaurant on the ground floor. For preparation and administration, the facilities also include a large kitchen, back office, pantry, break room, locker and shower facilities and multiple storage rooms in the basement level. All of the food services facilities are connected vertically by a private lift. Dimensions and physical details of each space can be found in Appendix F, while floor plans of the Restaurant and Café can be found in Appendix H.
- 2.2. The Café can accommodate up to 65 people and is adjoined by a large open terrace. The terrace has multiple tables and chairs which are commonly used for carryout and light dining in warm weather.
- 2.3. When fully open, the Restaurant sits up to 192 people. The Restaurant area can also be configured as a large Meeting Hall or, by using movable partitions, it can be transformed into a slightly smaller Restaurant with an adjoining, but fully enclosed, side conference room. When the conference room is set up, the maximum occupancy of the Restaurant drops to 160.
- 2.4. The entire Hagibor office building holds approximately 500 to 600 people, although the building is never at full occupancy during the day as people work in shifts in the building 24 hours a day, 365 days a year. Currently, approximately 400 to 500 meals are served Monday through Friday, and less than 100 on Saturday and Sunday.

### **3. CURRENT FOOD SERVICE AT HOB**

- 3.1. For the past 10 years, the incumbent contractor has provided all food service to RFE/RL. The current Restaurant in HOB is open for breakfast and lunch from Monday through Friday, 7:30 to 19:00 (excluding holidays). Staff members generally do not go to the restaurant for breakfast, but there are a significant number of people going to the restaurant for lunch. Throughout the day, the Restaurant features table service. During breakfast, staff must order off a set menu and dishes are made-to-order. During lunch, a selection of six set al-a-minute dishes and two soups are offered each day. The dishes fall into six static categories: traditional Czech, light, pasta, salad, vegetarian and “explorer” which caters to more adventurous tastes. In addition, the incumbent contractor offers a more expansive menu in the Restaurant to staff, but items must be ordered 30 to 45 minutes ahead of time, and therefore this service is rarely utilized. Hot and cold beverages and a limited salad bar are available anytime during the Restaurant’s opening hours. The Restaurant is occasionally closed in order to convert the space into a large, formal conference hall.
- 3.2. By contrast, the Café is highly popular with staff. The Café is open for breakfast, lunch and dinner, Monday through Friday from 0800 to 2000 and Weekends and holidays from 0800 to 1800. Throughout the day, a wide variety of dishes are served in a self-serve hot and cold buffet. In the morning, eggs, omelets, sausages, potatoes and other breakfast items are stocked in the hot buffet. In the afternoon, there is a selection of fried foods, stewed meats in sauces, as well as vegetable, pasta and fish casseroles. Several starches (such as potatoes and rice) and vegetable accompaniments can also be found during lunch. In the evening, remainders of the day’s Restaurant offerings and more of the lunch items are offered in the hot buffet. The cold section of the buffet contains a limited salad bar throughout the day. Buffet items are generally sold by weight, although there are some items sold by piece. The Café also offers a wide selection of packaged goods, including, for example: bottled beverages, Crocodile sandwiches, candy bars, fresh fruit, chips, nuts, fresh pastries, cake slices, rolls, packaged cheeses, cigarettes, wine and beer. A small selection of fresh open-faced sandwiches and Panini’s can be purchased occasionally in the Café. The Café also houses several coin-op coffee machines, and ATM as well as food and beverage vending machines, which can be accessed by staff round the clock.
- 3.3. In addition to these two major food service hubs in HOB, catering for special events can be arranged anywhere throughout the building at anytime with advanced notice. These special events can range from beverages and French cheese samplings, to nacho chips and dip gatherings, to VIP lunches and dinners.

### **4. DESIGN AND SPACE**

- 4.1. The areas for dining (Restaurant and Café) are complete, but RFE/RL recognizes that they still require some design work to improve their atmospheres. RFE/RL plans to outsource this work to a design firm after the award of this food services tender. The design firm will work in cooperation with internal RFE/RL staff and the selected food services Vendor to realize an optimal design for the space and the services offered. In order to save on refurbishing costs, RFE/RL feels it is important the design incorporate as much of the current furniture and fixtures as possible.
- 4.2. Interior Design Plan for Consideration – If the Vendor wishes to offer and submit plans and/or design services, it is welcomed, encouraged and will be considered, however the award is not contingent on the submission of a proposed interior design plan.
  - 4.2.1. Restaurant - If the Vendor submits a design plan, it must keep in mind the two configurations of the Restaurant. This Restaurant is dual-purpose, so design must be flexible and easily converted from a Restaurant (with or without a Conference Room) into a large Meeting Hall. Therefore, any design elements such as free standing dividers, screens, food preparation and serving areas, etc. must be movable to be stored nearby. Basic design issues have already been identified:

cold and uninviting interior due to lack of color or theme, dim lighting and a need to visually divide the space with free standing elements to create a feeling of more intimate conversation areas for groups of diners.

4.2.2. Café - If the Vendor submits a design plan, it must utilize as much of the current design of the Café as possible while also ensuring the space can accommodate the special food services detailed below. In particular, shelving needs to be designed and installed behind the sales counter and in all available packaged good and beverage areas for product display and presentation, as well as a more attractive way to house existing vending machines. In addition, a front panel or cover is also needed for the coffee and sales counters.

4.3. Alternate Use of Space Plan for Consideration – RFE/RL's utilization of and food offerings in each space in HOB, as detailed below, are based on RFE/RL's recent in-house food survey (Appendix G) as well as legacy. If the Vendor finds through careful analysis that the spaces could be used more efficiently and effectively (e.g., the restaurant to be located on the 4<sup>th</sup> Floor and buffet cafeteria/point of sale items on the ground floor), RFE/RL would welcome and encourage Vendors to submit an alternative use of space plan. Any alternate use of space plans submitted may be considered, although award will not be contingent on the submission of an alternate use of space plan. If the Vendor decides to submit an alternate use of space plan, the Vendor must keep in mind that there are physical limitations within HOB because of RFE/RL's build-to-lease arrangement. Furthermore, the ground floor space must remain dual-purpose as described above.

## **5. FOOD SERVICE DELIVERY REQUIREMENTS**

5.1. Food Service Delivery and Offerings by Location - The delivery of food services will be performed or delivered to the premises listed below as described below. In addition to the following requirements, the Vendor is encouraged to submit additional concepts or ideas for food service in the Restaurant. Of critical importance are high quality food and service, variety, nutrition and competitive prices. The Vendor shall also propose a traffic and work flow for both the Restaurant and Café that will: (1) allow customers to easily take and transport dishes and silverware from food serving/selecting to seating areas; (2) enable customers to pay for buffet items, beverages and salad bar items in an efficient manner; and (3) clean up after customers.

5.2. Restaurant - The Vendor will operate the Restaurant Monday through Friday (excluding RFE/RL-observed holidays) from 1100 to 1500 and will offer a full-service buffet and salad bar, as well as several daily fixed price menus al-a-minute (from behind the buffet) as well as a limited made-to-order menu. The buffet, located in one of the staging areas just off the main Restaurant dining room, will include a full range of hot and cold beverages, a variety of main courses, side dishes and dessert. The Vendor, in accordance with customer demand as well as the instructions contained in this SOW, should determine the number and type of fixed price menus. The buffet is envisioned to be located within the kitchen space on the ground floor where there is an area that would serve as a proper service counter. The Vendor will arrange for staff to prepare and plate food behind the counter for customers. Vendor staff may either serve food according to the fixed menu offerings of the day at a fixed price or according to the desires of the customers, which would then be weighed. The freestanding salad bar will be located in the main dining room space. The Vendor shall also offer a limited made-to-order menu from which customers may place orders for either eating in or taking to go. Customers should pick up and pay for their orders in the Restaurant.

5.3. Café – The Café will operate Monday through Friday from 0800 to 2000 and on weekends and RFE/RL-observed holidays from 0800 to 1700.

5.3.1. Breakfast: The Café will offer at breakfast a full complement of hot and cold dishes as well as made-to-order breakfasts, which could include eggs, omelets, waffles, French toast, crepes, etc.

- 5.3.2. Lunch: The Café will offer a limited hot self-service buffet, made-to-order hot and cold sandwiches (i.e., deli counter), and a full self-service salad bar.
  - 5.3.3. Dinner: The Café will offer a limited hot buffet.
  - 5.3.4. Throughout Operating Hours: Throughout its regular hours of operation, the Café will offer a wide selection of packaged goods and beverages.
  - 5.3.5. After Hours: The physical space of the Café will be open 24 hours per day, 7 days per week so that people in the building may access the vending machines, coin or card-operated coffee machines, and the ATM. It is important for the Vendor to note that all packaged items must be removed and stored elsewhere at the end of the Café's operational day.
- 5.4. Terrace – The Terrace may occasionally be used as a food service facility for special events, BBQs or Theme Days.
  - 5.5. Conference Rooms and Other Locations – Conference rooms and other locations located throughout HOB may be used for catering special events at any requested time with advanced notice.

## **6. DETAILED CONTENTS OF DAILY OFFERINGS**

- 6.1. RFE/RL requires two types of food service offerings: 1. daily offering and 2. periodic offerings. The Vendor will determine the daily offerings in both the Restaurant and Café, but the daily offerings should meet the expectations listed below. The Vendor, at its discretion, may sub-contract staff for the preparation of food for these meals.
- 6.2. Regional, Local & Variety of Cuisines – The Vendor must provide a variety of dishes and selections, which would include cuisines familiar to RFE/RL employees in both the Café and Restaurant (e.g., Eastern European, Mediterranean, Central Asian, Middle Eastern).
- 6.3. Innovative Salad Bar - The Vendor must improve the current salad bar situation in the Restaurant and the Café in both selection and quality by offering a more diverse and revolving salad bar selection on a daily basis. The Vendor shall use high quality fresh vegetables and fruits. The salad bar should have a balance of protein, fruits and vegetables including, but not limited to, eggs, meat, fish, beans, cheeses, dark salad greens like spinach and romaine, beets, carrots, cucumbers, sun-dried tomatoes, broccoli, cauliflower, onions, mushrooms, seeds, nuts, high-quality olives, specially prepared salads (e.g., potato, pasta, crab or macaroni salad), etc.
- 6.4. Made-to-Order Sandwiches - The Vendor must arrange its operations such that it will provide made-to-order hot and cold sandwiches and Panini's during lunch in the Café using a range of high quality ingredients, including whole grain breads, cheeses, lunch meats, toppings and condiments.
- 6.5. Healthy Options - The Vendor must offer a healthy selection of foods that are low in saturated fat (i.e., 1.5 g or less per 100 g) and salt (0.3g salt or less per 100g (or 0.1g sodium)) and are balanced with equal servings of protein, whole grains, and vegetables. Deep-frying should be avoided, however high-quality oils should be used at all times. Preferred proteins for include: chicken, turkey, lean beef, fish, seafood, lentils, beans, tofu, quorn, seitan, etc. Preferred grains for include: complex carbohydrates and whole grain products that are high in fiber, low in added fats and sugars, including but not limited to whole-wheat pasta, unrefined rice (e.g., brown or wild) as well as a variety of rice from our representative regions (e.g., Persian, Afghan, Central Asian). With respect to preparation, rice and other starches should be prepared according to the custom of the region of origin. For breakfast, vendor might include as part of its healthy offer low-fat cereals, granolas and oatmeal. The daily beverage offering should include freshly squeezed fruit juices and low-fat and non-fat dairy products.
- 6.6. Made-to-Order Hot Food - The Vendor will offer made-to-order hot food for at least breakfast and dinner (see above for more information on location), for example scrambled eggs, omelets, steak, fish, etc.

- 6.7. Packaged Goods - The Vendor will provide for the sale of packaged goods, to include cookies, chips, assorted sweets and ice cream, bottled beverages, dairy products, etc. Sale of these items will not exceed market rate and prices for these items will be clearly marked on the display or individual package. Receipts must be provided to customers for each register sale. The Vendor shall also arrange for cooling equipment, shelving and cases for the display of packaged goods.
- 6.8. Vending - The Vendor shall provide, maintain and operate vending equipment to be located on the premises, including coin and card operated coffee machines. The Vendor will ensure that these machines stay well stocked throughout the week, including nights and weekends. Maintenance and replacement will be the responsibility of the Vendor. The Vendor may choose to use engage subcontractors for this service.

## **7. DETAILED CONTENTS OF PERIODIC OFFERINGS**

- 7.1. Theme Day Menus - The Vendor shall offer special Theme Day menus at least twice a month when a greater variety of country or regional foods are served, e.g. Chinese, Mexican, Indian, Vegetarian and Sushi, etc. These foods must be made according to traditional recipes and with authentic ingredients.
- 7.2. Grilling on the Terrace - The Vendor must organize grilling on the terrace at least once a month during warm weather, i.e., beginning in April/May through September/October.
- 7.3. Catering and Special Events - The Vendor shall be asked on an ad hoc basis to provide wait staff, food and/or refreshments for special events. The price for such services shall equal the total of the purchase price of food and other raw materials used for the preparation of the respective meal actually paid by the Vendor to the suppliers plus the applicable value added tax (VAT). These events will require separate billing to departments or individuals. Sections of the Café or Terrace may be roped off for catering special events.

## **8. QUALITY OF FOOD AND SAMPLE MENU WITH PRICES**

- 8.1. Quality of Food and Nutrition - The Vendor shall deliver high quality food (defined as using high quality ingredients and preparation methods that preserve the nutritional value and foster superior taste) that can be audited against established nutritional and health standards. Menu selections should recognize culturally diverse tastes and the components of the menu should meet the five food groups as specified: bread, cereals, rice and pasta group; fruit and vegetable group; meat, fish, dry beans, eggs and nuts group; and milk, yogurt and cheese group.
- 8.2. Sample Menu with Prices - The Vendor shall provide 1 month of sample menus and offerings in both the Restaurant and Café as part of its proposal, including sample prices for a variety of complete meals that would fit the budget of each type of employee (local contract staff with supplements and non-local contract employees without supplements). As noted above, local contract employees receive a meal allowance of 50 CZK per eight-hour workday, and it is expected that prices should fit within the limits of their allowance. In the Café, pricing of package goods and beverages, meals and other offerings should be competitive with local market prices. RFE/RL may conduct local market-basket surveys periodically and provide these results to the Vendor.



## **9. FOOD SERVICE OPERATIONS**

- 9.1. Cleanliness and Sanitation – The Vendor and its staff will be responsible for ensuring that the dining tables, chairs and other surfaces in both the Restaurant and Café remain clean and free of debris throughout the period of operation of each location respectively.
- 9.2. The Vendor shall outline a solution for bussing tables (i.e., the collecting or removing of used dishes from public seating areas to cleaning areas in the kitchen) in its proposal. However the Vendor should note that RFE/RL prefers that its staff not be required to buss their own dishes. Additional bussing equipment may be required and supplied by the vendor, but any additional equipment must be in accordance with hygienic standards as well as the design of the space.
- 9.3. The Vendor will be responsible for cleaning the kitchen equipment every day, including providing the materials and detergents needed.

## **10. TRANSPARENT PRICES, PAYMENT METHODS AND RECEIPTS**

- 10.1. Prices – All prices shall be prominently displayed by the Vendor for per piece and by weight goods in both the Restaurant and Cafe. Catering fees and other service charges (if applicable) shall also be made easily accessible to users of the catering service within HOB. Prices should be structured such that paper and plastic ware (silverware, paper plates, Styrofoam cups, etc.) should be at no additional cost to the customer.
- 10.2. Local Staff Meal Supplements - All staff members on local Czech contracts receive a Meal Allowance of 50 CZK per work day. Currently, local contract staff members are given a swipe card to track their expenditures on food purchased in the Restaurant and Café for the month (excludes vending). The amounts on these cards were assessed at the end of each month by RFE/RL's Finance department as well as the total number of hours worked. For shift worked, local contract staff were allotted 50 Kc. The total amount of benefit was then subtracted from the total amount of spent on food. If the benefit was equal to or more than the spending, the incumbent contractor was paid for the total amount the staff member consumed. If the benefit was less than actual spending, the incumbent contractor was paid the benefit-level portion from RFE/RL and the remainder was paid to the incumbent contract by deducting the sum from the local staff member's pay. The Vendor shall propose a method of payment for these 50 Kc per shift supplements in its proposal, which may include an alternative method from the above for RFE/RL to provide meal supplements to local contract staff and for local contract staff to redeem this allowance. RFE/RL is open to other possibilities such as the meal vouchers commonly used throughout the Czech Republic known as stravenky.
- 10.3. Cash - All other employees and contractors use cash to pay for their food services.
- 10.4. Receipts - For each sale in the Restaurant or Café (vending excluded), the Vendor must provide paper receipts upon request detailing the purchase prices and taxes charged to customers. Invoices detailing food and service charges shall be provided for catered events.
- 10.5. Point of Sale System – A point-of-sale system will be provided to the Vendor by RFE/RL. Additional equipment may be required by the Vendor for receipt printing, etc. The Vendor shall include in its proposal any further solutions it will offer to meet the above requirements.

## **11. PROPERTY & EQUIPMENT FURISHED BY VENDOR**

- 11.1. Kitchen & Staging Areas - The Vendor should assess the current requirements of this SOW with the existing inventory of equipment and accessories to determine its needs to fulfill said requirements for preparing and delivering food services.

- 11.2. Restaurant – The Vendor should assess the current requirements of this SOW with the existing inventory of equipment and accessories to determine its needs to fulfill said requirements for delivering Food Services in the Restaurant. The Vendor may incorporate the need for additional equipment with its design proposal for the Restaurant.
- 11.3. Café - The Vendor should assess the current requirements of this SOW with the existing inventory of equipment and accessories to determine its needs to fulfill said requirements for delivering Food Services in the Café and on occasion the Terrace. The Vendor may incorporate the need for additional equipment with its design program for the Café and Terrace.

## **12. FOOD SAFETY AND HEALTH STANDARDS**

- 12.1. The Vendor shall demonstrate in its proposal that it is familiar with food safety procedures and related health standards in the Czech Republic. The Vendor shall also provide a plan for ensuring food safety and upholding standards while operating in HOB. The Vendor shall also present a plan in its proposal for periodically demonstrating its internal systems for guaranteeing food safety and standards that are equal or higher than legal requirements. The Vendor shall also formally guarantee that it will fully abide by the standards it offers and sets forth in its bid for this contract.
- 12.2. In addition, the Vendor will be expected to at all times maintain the facilities in a clean and sanitary manner and in a good condition and in compliance with its internal procedures and all local laws, including without limitation, all hygienic, health, security and fire regulations. The facilities are subject to inspections by the customer, landlord and their agents, authorized health and hygienic authorities, fire department, and other agencies controlling compliance with safety requirements.
- 12.3. In the food facilities areas, all regulated work safety, health standards and safety regulations apply. Increased attention from Vendor Staff who handle equipment such as hot water and mainly hot oil is necessary, e.g., the determined protective devices are to be used when handling hot containers, etc. All regulations regarding the handling of machinery equipment must be strictly adhered to. Also, all Vendor Staff must have all necessary valid health certifications.
- 12.4. The cleaning contractor, RPM, will be responsible for cleaning of the floors daily.

## **13. DELIVERY PROCEDURES**

- 13.1. Deliveries of gastronomic supplies and services are to be arranged by the Vendor. The Vendor must coordinate the arrival of these deliveries in coordination with RFE/RL Security and Facilities Management. The following are the procedures that must be observed by Vendor staff for deliveries:
- 13.2. Deliveries will be limited to Monday thru Friday, 0700 – 1700. With the exception of baked goods that may be delivered Monday thru Friday 0400 – 1700.
- 13.3. The Vendor will be required to provide to RFE/RL's departments of Corporate Security and Facilities Management the delivering company's name, vehicle model, license plate number, driver name, and approximate time of delivery. This information will be provided to RFE/RL at least 24 hours in advance of delivery.
- 13.4. The Vendor is required to ensure its deliveries are made to the Service Compound Access Control (Service CAC) loading platform on Izraelska Street. Delivery vehicles will not be allowed access to the compound. No deliveries will be allowed to enter through the Vinohradska Compound Access Control entrance or the building main entrance.
- 13.5. The Vendor must ensure that the platform does not get overloaded while also ensuring that security procedures and safety precautions are complied with and met.

- 13.6. Supplies emanating from deliveries made through the Service CAC on Izraelska Street are to be transferred from the ramp into an individual safety room equipped by x-ray machine, then checked and moved to the loading ramp inside the area. The delivery company will be responsible for physically moving goods from the loading platform into the receiving room for security screening. All items delivered will undergo security screening to include, but not limited to, visual inspection, pass through x-ray, and a particulate analysis for explosives before being allowed to enter the interior of the compound. When security has been successfully cleared, an RFE/RL operator with an electric forklift and a vehicle will be available for the delivery to the main building for large, bulky items.
- 13.7. This vehicle will transport supplies to the entrance of the gastronomic area located on the ground-floor level of the Main building. Delivery of all items to the main building will be made only through this designated food service entrance door. After gaining access and clearing security procedures the Vendor is allowed to carry supplies to catering lifts and back office storage areas.
- 13.8. Supplied goods or products are then transferred by lifts from the Basement level to the gastronomic areas where these supplies are needed within HOB.
- 13.9. The Vendor must transfer waste and packaging via a determined route in coordination with RFE/RL Facilities Management and Security Guards.
- 13.10. Any changes to these procedures shall be communicated to the Vendor by RFE/RL in a timely manner.

#### **14. SECURITY, FACILITIES USAGE, SAFETY AND REPORTING PROCEDURES**

- 14.1. The Vendor and its staff and its sub-contractors shall abide by all HOB security procedures. All catering staff must walk through a mandatory X-ray control at Izraelska or Vinohradska CAC, then continue to the employee entrance at the Main building with card readers to their dressing rooms and back office. The Back Office is joined to all catering areas via a lift, corridors and staircase.
- 14.2. The Vendor shall use the Facilities only in connection with provision of the Services to RFE/RL under contract, unless otherwise agreed with RFE/RL.
- 14.3. The Vendor Staff shall be trained by RFE/RL in order to be able to respond to fire, civil defense, bomb threats, evacuations, and other emergencies in accordance with procedures established by or employed by RFE/RL.
- 14.4. The Vendor shall notify RFE/RL in writing of any notices of violations received during or in connection with any inspections of the competent local authorities. Any such notice from RFE/RL shall include a detailed description of all actions taken and/or to be taken to remedy conditions resulting in such violations.
- 14.5. If the Vendor becomes aware of any condition which is or could be deemed as unsafe, unhealthy, or could in any other way cause an accident, the Vendor shall immediately notify Facilities Management to make or cause to be made appropriate repairs and/or measure to remedy such condition.
- 14.6. The Vendor shall notify RFE/RL of any maintenance problems beyond the scope of the Vendor's responsibility provided, however, that the Vendor shall bear the expense incurred in connection with such repairs or maintenance necessary because of its own or any of the Service Person's willful misconduct or negligence.
- 14.7. Upon termination of the contract for any reason, the Vendor shall return the Facilities and all equipment to RFE/RL in a condition corresponding to the status existing at the Commencement Date, taking into account reasonable wear and tear.

- 14.8. RFE/RL agrees to assume, at its own expense, the following responsibilities with respect to the use of the facilities by the Vendor:
- 14.8.1. to provide adequate ingress and egress to the Vendor, including reasonable use of the corridors, passageways, and loading platforms;
  - 14.8.2. to provide adequate ingress and egress to the Vendor, including reasonable use of the Service Compound Access Control (SCAC) loading platforms, SCAC receiving room, designated Main building delivery entry/exit door, and the food services lift. Vendor shall bear the expense of repairs or maintenance necessary because of its own or any of Vendor Staff's willful misconduct or negligence;
  - 14.8.3. to provide at no charge to the Vendor heat, light, power, water sources, local telephone service, and air conditioning that may be reasonably required for the provision of the Food Services; and
  - 14.8.4. to provide sanitary toilet facilities and lockers for Vendor Staff.
- 14.9. RFE/RL shall not be obliged to ensure the uninterrupted provision of the utilities and services referred to above and shall not be liable for revenue loss of the Vendor, which may result from the interruptions of or a failure to provide any of the services referred to above.

## **15. MAINTENANCE OF PREMISES & EQUIPMENT –**

- 15.1. Equipment and machines located in the food area need daily treatment and regular maintenance. The Vendor shall maintain and operate vending machines to be located at the HOB and keep them in operable conditions.
- 15.2. Vendor Staff must be informed and trained on how to manage and operate all types of equipment with regards to both technology and safety, e.g. the equipment and machinery for cleaning must be used, determined spaces must not be cleaned by means of water splashing from a hose, etc.
- 15.3. The Vendor must maintain all areas clean and undamaged and must immediately inform RFE/RL Facilities Management of all incidents regarding broken or inoperable equipment in the food services facilities.
- 15.4. The Vendor will be responsible for maintaining the premises and equipment in its use in a clean and sanitary manner and to comply with its internal procedures and all local laws, including without limitation, all hygienic, health, security and fire regulations. They are subject to inspections by the authorized health and hygienic authorities, fire department, and other agencies controlling compliance with safety requirements.
- 15.5. Waste Management Procedures - The remains of supplied and unused meals or other waste are to be stored in the waste storage located in the gastronomic service back office. Removal is to be arranged according to Czech Health regulations and in compliance with RFE/RL Corporate Security Procedures and Cleaning Service

## **16. DELIVERABLE REPORTS**

- 16.1. MONTHLY FOOD SERVICES REPORTING - The Vendor shall keep on a monthly basis accurate and complete records of all revenues and expenses incurred in connection with the delivery of Food Services, including, but not limited to, purchase and usage records of food and beverages. Such records shall be retained by the Vendor and available upon request from RFE/RL.
- 16.2. RFE/RL will require at a minimum and on a monthly basis that the Vendor provide statements detailing the operations of its Food Services to include Income and a P/L

statements for each month of its operation. Depending on the cost structure of a Vendor's proposal other reports may be required.

## **D. PROPOSAL PREPARATION INSTRUCTIONS AND CONTENTS**

A contract will be signed between a company duly licensed to do business in the Czech Republic (the "Offeror") and RFE/RL, Inc., ("RFE/RL"). The contract shall comply with all applicable Czech laws, policies, and regulations, and shall be legally binding on both parties. The contract shall become valid and effective upon execution thereof by both parties.

Be advised that your submission of a proposal has no binding effect on RFE/RL. For avoidance of any doubt, this Request for Proposal ("RFP") is intended to be only an invitation to the Offeror to present an offer and in no case shall be understood to be a binding offer to conclude any contract pursuant to Article 43a or a public tender pursuant to Article 847 of the Czech Civil Code, or a public proposal to conclude a contract pursuant to Article 276 or a public tender pursuant to Article 281 of the Czech Commercial Code.

**1.0. Period of Contract.** The contract will be a base year contract as defined on the signature page with four (4) one-year unilateral option periods which may only be exercised by RFE/RL at its sole discretion and is not subject to dispute.

**1.1. Contract Type.** This will be a cost plus award fee form of contract. Under a cost type contract cost for performance is paid by RFE/RL. Fees are structured in two categories:

- a minimal base fee which is fixed and invoiced monthly, and
- an award fee, which is the preponderance of the fee and will be awarded semi-annually as the contractor performs against the contract. The presumption is that the contractor will achieve all fees when performing under the contract. The award fee may be reduced for major failures to provide support defined in the contract and Statement of Work. The award fee provision is not subject to disputes. Award fee criteria will be provided to the selected contractor prior to commencing services.

**1.2 Proposal Documents.** Your proposal shall consist of the following documents:

- Original Excerpt from the Czech Commercial Register reflecting current corporate standing;
- Copy of your trade licenses evidencing due authorization to operate and provide food services in the Czech Republic.
- List of considerations to be addressed in order to fulfill the contract not contained in the contract.
- A **separate** technical/management proposal: 5 bound copies plus CD ROM in PDF format.
- A **separate** cost proposal: 5 bound copies plus CD ROM in PDF format. In addition to the Cost Volume in PDF format, the cost volume must also contain the cost tables in Microsoft Excel format.
- Both technical and cost may be on the same CD ROM as long as the technical and cost volumes are in separate documents on the CD ROM.

### **2.0 Technical / Management Proposal.**

In general, the Technical Proposal shall explain how you intend to address every technical requirement set forth by RFE/RL in this RFP and the Statement of Work.

There is no prescribed format for the written portion of the Technical/Management Proposal, nor are there any minimum or maximum page limitations. However, you are forewarned that proposals will be evaluated based upon their perceived quality – not their length – and that the inclusion of excessive amounts of promotional materials is likely to weigh against the perceived quality of your proposal.

**In addition to your specific approach to the problems and other instructions presented in this RFP, your Technical/Management Proposal shall address the following:**

**2.1 Depth of Resources and proposed staff:** The Offeror must provide a complete description of its

- company structure and services;
- company's financial viability;
- the company resources to support the contract; number of employees, staff turnover in the past two years; absenteeism rate;
- relevant certifications and awards the company has received or attained;
- background, experience and language ability of the Unit Manager be assigned to manage RFE/RL's food service operation. The unit manager will be the single point of contact with RFE/RL's management and will have the authority to resolve issues that arise pertaining to the food service operation with respect to criterion. The technical proposal shall contain the resume of the proposed unit manager and describe the unit's manager's experience in the area of food service management, customer liaison, food service preparation, business management, and personnel management. The Candidate must be proficient in both English and Czech; and
- staff, structure and number of employees who provide the services will be assessed based on experience, education, ability to speak English and customer services aptitude.

**2.2 Demonstrate a clear understanding of the RFP Requirements:**

The Offeror must understand the requirements of the RFP and demonstrate that it is capable of meeting the requirements as outlined in the SOW. The Offeror must validate that it has a comprehensive, detailed, well thought out approach specific to the RFE/RL's needs both in context of service delivery requirements and compliance with RFE/RL procedures. In that regard the Offeror must address each component of the SOW from either a delivery or compliance perspective. The offeror's responses to each of the technical requirements should represent the soundness of the approach to ensure that the Offeror has agreed to the requirement. When a requirement calls for a description of the bidder's approach to a requirement, the proposal is verified to determine a response has been provided. If the response to any of these requirements is found to be lacking or incomplete, the proposal may receive a lower score, or if the deficiency is significant, it may be deemed non-responsive and preclude the proposal from further evaluation.

**2.3 Quality of Food and Proposed Menu:**

- Explain your approach to providing the food services to meet the requirements of this RFP; include quality control, customer satisfaction, cost control, balance between quality and price.
- A varied, innovative, balanced Monday through Friday menu that meets modern nutrition standards. The Offeror is to describe the Monday through Friday menu it proposes to offer customers including proposed prices of meals and portions size. Prices of meals should reflect the actual cost incurred by the Offeror in connection with purchase of raw materials to be used for preparation of meals. Emphasis should be on luncheon/dinner menu selections. The Offeror is encouraged to design an innovative menu which will recognize the tastes of a multi-cultural clientele while maintaining a high nutritional standard. A salad bar is a required component.
- Unannounced visit to selected vendor facility for food sample test. Please provide a minimum of two local sites, if possible, but preferably three where evaluators a conduct unannounced food tests. Please provide address and contact details.

**2.4 Past Performance:**

Discuss the range of your food services and experience with contracts of similar size. Also provide a minimum of five business references that can vouch for your ability to provide similar quality food services in a fully successful manner in the past year. Include all names by company, position, and all contact data: phone numbers (office and mobile), e-mail address and location address.

### 3.0 Cost Proposal.

In general, Offeror's price proposals should detail all labor costs by labor category with hourly labor rates to meet the food support requirements of this competition. This contract will be a cost reimbursement contract where all overhead, materials and fees are detailed. Complete the cost tables defined below and provide narrative justification for the estimates other than labor. Revenue for costs collected is reflected back as a credit to RFE/RL.

Price out estimated costs in accordance with the cost table formats on a Microsoft Excel spreadsheet as defined in paragraph 3.1 below.

**3.1 Cost table** for each year and a total summary table for the base plus the 4 option years, See below of additional description of terms.

- Estimate **Materials** costs, which should include all supplies and uniform costs and any other operating material costs for the year, and pro-rate that estimate over the proposal labor rates proportionally.
- Estimate annual cost for **Other Direct Costs (ODC)**, which should include any insurance, bonding or other costs necessary that are directly attributable to performing the tasks described in the SOW.
- **General and Administrative** costs are those that may apply across the company if they are not directly attributable to the SOW. Depending on how your cost accounting system is structured, this is not required; however, if you add it, explain how it was derived and how it applies to all your contracts.
- **Escalation** If you propose an annual escalation factor please state what the factor is and how you arrived at that factor.
- **All costs** need to be supported by either a quote or a narrative as to how the costs were derived.
- **Fees** (a.k.a. Management Fees) are at your discretion but will impact your total cost and affect your competitiveness. Your proposal shall include cost submissions by year for a base year and four option years and a total summation for the 5 year estimated costs and fees. Award fee criteria for the selected contractor will be provided at contract award so that the contractor is able to provide adequate direction and oversight to the staff.

**Note to align with RFE/RL fiscal year FY 10 must be costed from 1 July 2010 to 30 Sep 2010. Thereafter costs are to be detailed from 1 October to 30 September of each year.**



**Cost Proposal Format  
(for each year for 5 years plus 5 year total)**

COSTS	Labor Direct	Labor/Material/Service Category	Hours per year	Hourly Labor rate	Cost
		(e.g. Cooks) (e.g. Cashier) (e.g. manager)		Rate	
			<b>Labor Subtotal</b>		
	<b>Materials</b>	Cleaning Supplies Cost of Food for meals Cost of resale goods Laundry, Etc.....			
			<b>Materials Subtotal</b>		
	<b>Other Direct Costs (ODC)</b>				
			<b>ODC Subtotal</b>		
	<b>G&amp;A (if applicable)</b>				
			<b>G&amp;A total</b>		

**COST SUBTOTAL - A**

**ESTIMATED REVENUE (Income) - B**

**TOTAL (Revenue Margin) SUBSIDY COST (A-B)**

**FEES**

**Base Fee (x%)  
Award Fee (y%)  
Total fee (x%+y%)**

**TOTAL SUBSIDY COSTS & FEES**

**Definitions**

*Estimate these costs per year.*

Materials costs - estimated materials cost for the year.

Other Direct Charges (ODCs) - costs that are not spread across the company for the year.

General and Administrative (G&A) - percentage of costs spread across the company( use only if cost accounting system is so structured)  
Revenue – income received from operations: special events, sales to Czech employees (subsidy), income from other expats, sales of other goods.

Fee - aka Management fee,(split into a base or fixed fee and an award fee earned through performance with criteria established prior to the beginning of the evaluation period.

**Proposed Costs and Fee by Year**

<b>REF/RL Fiscal Year</b>	<b>FY10*</b>	<b>FY11</b>	<b>FY12</b>	<b>FY 13</b>	<b>FY14</b>	<b>TOTAL</b>
<b>Total Cost:</b>						
<b>Base Fee:</b>						
<b>Award Fee:*</b>						
<b>Total Contract Value:</b>						

**Begins 1 June 2010 to 30 Sep 2010. Thereafter costs at to be detailed from 1 October to 30 September of each year.**

**3.2 Narrative Justifications** for all costs proposed and state any assumptions.

**IT IS RFE/RL'S INTENTION TO INCORPORATE BY REFERENCE THE ULTIMATELY  
SUCCESSFUL PROPOSAL INTO ANY RESULTING CONTRACT**

## **E. PROPOSAL DELIVERY AND EVALUATION**

**1. Conference:** An Offeror's conference will be held at the RFE/RL, Inc. building at Vinohradská 152a, 100 00 Praha 10, Czech Republic, Wednesday, **January 12th, 2010 at 2:00 p.m.** (the "Offeror's Conference"). Intent to participate in the Offerors' Conference shall be communicated to Ms. Julie Klevcova, by email at [klevcovaj@rferl.org](mailto:klevcovaj@rferl.org)

A tour of the facility will be conducted on the day of the Offerors' Conference. This will be the Offerors' only opportunity to tour the facility. Requests for private tours will not be honored. A maximum of two representatives per vendor are authorized.

### **2. Proposal Delivery**

Proposals shall be due not later than **8 February 2010; at 1100 Central European time to:**

RFE/RL  
Vinohradská 159a  
Mailbox 24  
100 00 Praha 10  
Czech Republic

ATTN: Jim Grabulis

You are afforded the opportunity to submit **questions regarding the RFP by 19 January 2010.** Inquires after that date will not be accepted. Responses to all questions will be sent to all vendors who have expressed an interest in participating in this competition. Questions and answers will be provided in a non-attributable fashion so that the identity of the questioner is not discernible.

All questions and responses as posted on the RFE/RL website are considered as an addendum to, and part of, this RFP. Each Offeror shall be responsible to monitor the RFE/RL website for new or revised RFP information. RFE/RL shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by RFE/RL.

If RFE/RL deems it necessary to revise any part of this RFP before the proposal response date, we will post an addendum on the RFE/RL website at [www.rferl.org](http://www.rferl.org) or go directly to [http://www.rferl.org/content/Request\\_For\\_Proposals\\_For/1616949.html](http://www.rferl.org/content/Request_For_Proposals_For/1616949.html) (It is the offeror's responsibility to periodically check the website for any new information or addenda to the RFP). Answers to the questions asked during the tour will be sent via e-mail.

### **3. Method of Award**

It is anticipated that RFE/RL will award the contract to the Offeror whose proposal is most advantageous to RFE/RL, price and other factors considered. Technical proposals will be evaluated, based on the factors described in the Statement of Work and evaluated against the evaluation criteria described herein. Technical merits are slightly more important than cost.

***The company recognizes that there is a fine line, balance, which must be achieved between the costs associated with this contract and technical specifications needed to fulfill the current standard for food quality and service. Due to the nature of and the quality of the services currently being provided, there is an expectation the company and its employees will not experience any deterioration in quality or service with a new vendor.***

RFE/RL will evaluate proposals in six primary areas. The first four will be addressed in the technical and management volume. Cost will be addressed in a separately bound volume and address overall cost by year and total cost over the 5 year period. Technical is weight slightly higher than cost in this evaluation.

Technical Volume:

- Depth of Resources and Proposed Staff
- Demonstrated a clear understanding of the RFP Requirements
- Quality of Food and Proposed Menu
- Past Performance

In addition those down selected into the competitive range will be notified and RFE/RL will within 1 to 2 hours notice arrive at a selected facility to test food quality as part of the evaluation process.

Cost Volume

- Lowest cost of service
- Acceptable and supportable narrative cost justifications.

**SOW / Evaluation Matrix**

<u>RFP Section</u>	<u>Resources &amp; Staff</u>	<u>Understanding Requirements</u>	<u>Quality of Food</u>	<u>Past Performance</u>	<u>Cost</u>
<b>Section C.</b>	5.3	4.1	4.2		
	5.4	4.2	4.3		
		5.1	4.5		
		5.2			
		5.5			
		5.6			
		5.7			
		5.8			
		5.9			
<b>Section D</b>	1.2	2.2	2.3	2.4	3
	2.1		2.0		

**4. No Binding Effect.**

Be advised that your submission of a proposal in no way has any no binding effect on RFE/RL. For avoidance of any doubt, this Request for Proposal is intended to be only an invitation to the Offeror to present an offer and in no case shall be understood to be a binding offer to conclude any contract pursuant to Section 43a or a public tender pursuant to Section 847 of the Czech Civil Code or a public proposal to conclude a contract pursuant to Section 276 or a public tender pursuant to Section 281 of the Czech Commercial Code.

## **F. MODEL CONTRACT - TERMS AND CONDITIONS**

### **Agreement on Provision of Food Services**

This Agreement on Provision of Food Services (the "Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and between RFE/RL, Inc., a not-for-profit corporation organized and existing under the laws of the State of Delaware, USA, with its registered seat at 100 West Tenth Street, Wilmington, Delaware, 19801 (the "Customer") and [BUSINESS NAME OF CONTRACTOR], with its registered seat at [ADDRESS], IC: \_\_\_\_\_ (the "Contractor"), (the Customer and the Contractor hereinafter collectively the "Parties").

Whereas, the Customer desires to be provided certain food guard services at the Customer's branch office located at Vinohradska 159A, 100 00 Prague 10, Czech Republic (the "Office");

NOW THEREFORE, in consideration of the foregoing, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree pursuant to Section 269(2) of the Commercial Code as follows:

### **Article 1 Scope of Work**

1.1 The Customer hereby engages the Contractor to perform certain food services and operation of food and beverage vending machines, all as described in detail in the Statement of Work (SOW) attached hereto (the "Services"), and the Contractor hereby accepts such engagement and agrees to perform the Services in the scope and quality as specified in the SOW which is hereby incorporated into this contract.

1.2. The place of performance of the Services shall be (i) the dining room located on the ground floor of the Office (the "Dining Room"), (ii) the kitchen located on the ground floor of the Office (the "Kitchen"), (iii) the cafe located on the fourth floor of the Office (the "Cafe"), (iv) and conference areas as designated by the Customer, and (v) respective locations of the food and beverage vending machines located at the Office, (the Dining Room, the Kitchen and the Cafe hereinafter collectively referred to as the "Facilities").

1.3. In performing the Services, the Contractor may perform the Services through its subcontractors, provided that such subcontractors shall be subject to the prior written consent of the Customer.

1.4. In performing the Services, the Contractor shall comply with all laws applicable to provision of the Services and shall use all due skill, care and attention and shall perform its obligations in a workmanlike manner.

### **Article 2 Period of Performance**

This Agreement shall become valid on 1 June 2010 as signed by both Parties on the signature page hereto and for the periods identified on the signature page.

### **Article 3 Type of Contract**

This is cost plus award fee form of contract. All actual, allowable and documented costs shall be reimbursed at actual and predominately wholesale cost.

The fees shall be divided between a nominal base fee and an award fee to ensure that specific performance requirements of the Customer are met. The criteria for achieving the award fee will be based upon accomplishing the requirements of this contract without exception.

**Contract Value by Fiscal Year (CZK)**

	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY 13</b>	<b>FY14</b>	<b>TOTAL</b>
<b>Cost (less revenue):</b>						
<b>Base Fee:</b>						
<b>Award Fee:*</b>						
<b>Contract Value:</b>						

Base fee on cost incurred monthly may be invoiced monthly and fee award fees invoiced semi-annually after assessment of performance. The presumption is that the total fee will be awarded unless the contractor fails to meet any food requirement of this Agreement. Additional factors may be added during a period by mutual agreement.

**Article 4 Designated Representative**

The role of RFE/RL’s official Designated Representative in connection with this contract is to provide Contractor with such limited guidance and/or direction as may be required to resolve such difficult issues and/or such occasional problems as may arise from time-to-time. However, while the Designated Representative may provide general guidance regarding the terms, conditions and requirements of this Contract (where this document is not otherwise clear), any proposed additions and/or changes to the conditions set forth in this Contract, as well as any disagreements between Contractor and RFE/RL’s Designated Representative, must be brought to the attention of RFE/RL’s Director of Procurement, concerning interpretation and implementation of this Agreement.

RFE/RL’s Designated Representative in connection with this Agreement is: **TBD**

**Article 5 Sales Prices**

The Parties have agreed that the price of dishes and other food and beverage items to be payable by Customer's employees and guests shall be set by the Contractor as follows:

5.1 The price of meals to be served by the Contractor in the Dining Room shall equal the total of the purchase price of the food and other raw materials used for the preparation of the respective meal actually paid by the Contractor to the suppliers plus the applicable value added tax ("VAT");

5.2 The price of any other food and beverage items sold by the Contractor in the Cafe and the Vending Machines shall equal the total of the purchase price actually paid by the Contractor to the suppliers for such food and beverage item plus applicable VAT. If the goods received from the vendors own sources, such food items shall not be marked up to preclude a double mark up situation. All food items shall be at local market competitive prices.

**Article 6 Payment for Performance of Services**

6.1 For due performance of the Services in accordance with the terms and conditions set forth herein, the Customer shall pay to the Contractor based on monthly invoices of costs actually incurred

6.2 The Base Fee plus the applicable VAT shall be invoiced by the Contractor on the twentieth (20th) day of each calendar month in which the Services have been performed by an invoice substantially in the form of Exhibit A hereto and the Customer shall pay such invoice to the Contractor within ten (30) days after its receipt of such invoice. The award fee which will be reconciled semi-annually based on actual award and invoiced the month following the award evaluation.

6.3 The Revenue Margin plus the applicable VAT shall be invoiced by the Contractor on the fifteenth (15<sup>th</sup>) day of each calendar month following the month in which the Services were performed by an invoice substantially in the form of Exhibit B and the Customer shall pay such invoice to the

Contractor within thirty (30) days after its receipt of such invoice. The Contractor shall evidence the total monthly Revenues by the vouchers received from the Customer's employees, by cash receipts and/or other records recognized under applicable accounting and tax regulations and evidencing the monthly Revenues.

#### **Article 7 Use of Customer's Tangible Property by Contractor**

7.1 The Customer shall provide to the Contractor certain equipment, systems and materials (the "Borrowed Tangible Property") specified in Appendices A, B and C hereto. ***[TO BE PROVIDED TO THE CONTRACTOR SUBSEQUENT TO THE AWARD OF THE CONTRACT]***

7.2. The Borrowed Tangible Property shall be lent to the Contractor pursuant to Articles 659 et seq. of Act. No. 40/1964 Sb. (the "Civil Code") in connection with the performance of the Services. The Borrowed Tangible Property shall be provided by the Customer to the Contractor free of charge for the purpose of the use by the Contractor (the "Gratuitous Use") during the Term or any of the optional period terms of this Agreement under Article 7 hereof upon signing a protocol on taking over the Borrowed Tangible Property by the Contractor. During the entire term of the Gratuitous Use, the Contractor shall be authorized to use the Borrowed Tangible Property in a proper and workmanlike manner and solely for the performance of the Services and shall not permit any person who is not a party to this Agreement to use the Borrowed Tangible Property.

7.3. The Contractor shall be responsible for standard maintenance of the Borrowed Tangible Property; provided, however, that the costs of such standard maintenance incurred by the Contractor shall be reimbursed by the Customer in accordance with this Agreement. Notwithstanding the foregoing sentence, the Contractor shall be liable for any damage, loss or destruction to the Borrowed Tangible Property, excluding normal wear and tear, unless such damage, loss or destruction has been caused by the willful misconduct or negligence on the part of the Customer, and shall be obliged to replace such Borrowed Tangible Property with the same type of product of the same or comparable quality.

7.4. The Contractor shall be obliged to return the Borrowed Tangible Property to the Customer as soon as the Contractor does not need it for its performance of the Services. The Customer may, in its sole discretion, require that the Borrowed Tangible Property be returned to the Customer at any time during the Term or any of the optional period terms of this Agreement under Article 8 hereof.

7.5. As of the Commencement Date, the Parties agree to prepare a joint initial inventory of the Borrowed Tangible Property. The Contractor shall perform an inventory of the Borrowed Tangible Property at least once a month in accordance with the procedure established by the Customer or by the Contractor and approved in writing by the Customer and submit such inventory report to the Customer. On fifteenth (15<sup>th</sup>) day of January of each calendar year, the Parties agree to perform a joint annual inventory of the Borrowed Tangible Property.

7.6. The Contractor may purchase from time to time certain additional equipment and materials provided that the costs of purchase of such equipment or materials shall be borne by the Contractor and the Contractor shall be the owner of such additional equipment or materials, unless agreed otherwise by the Parties.

#### **Article 8 Exercising Contract Options**

The Customer shall have the option in its sole discretion to extend this Agreement for an additional four (4) subsequent one (1) year periods. Such option shall be exercised by the Customer by delivering to the Contractor, no later than three (3) months prior to the expiration of the Term or the optional term of one (1) year (as the case may be), a written notice confirming the Customer's intention to extend the Agreement by an additional period. Unless the Parties agree otherwise, the terms and conditions applicable to such optional term of the Agreement shall be the same as set forth in this Agreement.

## **Article 9 Termination**

The Parties hereby agree that, prior to the expiration of the Term or any of the additional one (1) year term under Article 8 above, this Agreement may be terminated:

9.1 At any time by written agreement of the Parties;

9.2 by the Customer for any reason (convenience) upon delivery of a two (2) month termination notice to the Contractor;

9.3 by the Customer upon delivery of a written withdrawal notice to the Contractor for any of the following (default) reasons:

9.3.1 In the event of a material breach by the Contractor of its obligations under this Agreement;

9.3.2 In the event that any license, authorization, governmental consent or approval which the Contractor is required to hold under any applicable law in order to perform the Services is revoked, canceled, terminated or modified in such a manner so that the Contractor is no longer lawfully able to perform the Services;

9.3.3 In the event that a criminal action relating to the business activities of the Contractor has been brought against any director, chief executive or any other officer of the Contractor; or

9.3.4 In the event that the Contractor voluntarily filed a petition seeking declaration of Contractor's bankruptcy, or the Contractor is declared bankrupt by a court of competent jurisdiction or a court of competent jurisdiction allows a settlement, or a petition for bankruptcy is dismissed by a court of competent jurisdiction due to insufficiency of the Contractor's assets.

9.4 In the event of the termination of the Agreement by the Customer pursuant to Article 9.2. above, the Contractor may request a termination proposal with 30 days of notification of termination, if the termination is for convenience. If the termination is for default, Article 9.3, then no proposal submission is required, unless the Customer determines otherwise.

9.5 Immediately after receipt of a termination notice from the Customer in accordance with Article 9.3. hereof, the Contractor shall, upon request of the Customer, disclose to the Customer all necessary financial records for review and audit.

9.6 In the event that, due to termination of this Agreement by the Customer in accordance with Article 9.3.1. hereof, the Contractor terminates, prior to the termination date of this Agreement, the labor relationship with any Employee upon a notice given by the Contractor for any of the reasons stipulated in Articles 46 (1) (a) through (c) of the Act No. 65/1965 Sb., the Labor Code, as amended (the "Labor Code") or by an agreement for the reasons stipulated in Articles 46 (1) (a) through (c) of the Labor Code, the Customer shall reimburse the Contractor for 50% of those amounts which the Contractor actually paid to such Employee in accordance with Article 60a of the Labor Code; provided however, that, in the event that such Employee, after the termination of the labor relationship, enters, within the period of one year after the termination of this Agreement pursuant to Article 9.3.1 hereof, again into a labor relationship with the Contractor or any of its Affiliates, the Contractor shall be obliged to repay the amounts paid by the Customer pursuant to this Article 9.6. For the purpose of this Article 9.6., the term "Affiliate" shall mean any person controlling, controlled by, or under common control with the Contractor, provided that for the purposes of this definition, "control", including, with correlative meanings, the terms "controlled by" and "under common control with", shall mean the possession, directly or indirectly, of the power to direct the management and policies of such person, whether through the ownership of voting shares, by contract or otherwise.

## **Article 10 Other Rights and Obligations of Contractor and Customer**



10.1 The Contractor shall keep on a monthly basis accurate and complete records of all revenues and expenses incurred in connection with the performance of the Services under this Agreement, including, but not limited to, purchase and usage records of the food and beverages. Such records shall be retained by the Contractor and available for inspection by the Customer during regular operating hours for three (3) years subsequent to the respective fiscal year of the Contractor.

10.2. The Parties agree that the Customer shall have the right, upon two (2) business day prior notice to the Contractor, to require from the Contractor to provide an increased level of the Services and/or at different times from those specified in the SOW attached hereto.

10.4. Upon request of any of the Authorized Persons, the Contractor shall provide to the Customer the following documents and information for review and audit:

- (a) List of all the contractor employees performing on this contract, including the specification of work position and monthly wages of each employee;
- (b) Any employment contract, if applicable
- (c) Records of attendance at work;
- (d) Forms for bonuses to be paid to any contractor employee
- (e) Forms for overtime work;  
Monthly overview summarizing the costs
- (g) Audited financial statement of the Contractor; and
- (h) Any and all books of account and records of the Contractor reflecting the Contractor's costs

#### **Article 11 Liability of Contractor**

11.1 The Contractor shall be liable for any and all damage suffered by the Customer, its employees, agents, representatives or third parties, whether in the nature of loss of or damage to property or personal injury, in each case caused by the Contractor or any of its Employees in connection with the performance of the Services.

11.2. In accordance with Article 420a (3) of the Civil Code, the Contractor shall be exempt from its liability under Article 11.1. hereof only if the Contractor proves that such damage was caused by an unavoidable event which did not originate in the operation of the Contractor's business activity or by own conduct of the Customer, its employees, agents or representatives.

11.3. The Contractor undertakes to obtain insurance coverage from a duly licensed insurance company acceptable to the Customer for any and all liability described in Article 11.1. hereof, with a minimum insurance coverage of 40,000,000.- CZK and specifying the Customer as the loss payee. This provision will be reviewed annually and updated as appropriate.

11.4. The Contractor shall defend, indemnify and hold the Customer harmless from and against any and all claims, demands, actions, causes of actions, suits, judgments, costs, charges, and expenses, including without limitation, costs of litigation and attorneys' fees and costs of repair or replacement of equipment, arising out of, relating to, resulting from or in connection with any acts or omissions of any of the Employees, and/or agents or contractors of the Contractor.

#### **Article 12 Dispute Resolution**

Any claim under this Agreement between or among the Parties (including the question whether any particular matter is arbitrable hereunder) shall be referred to and finally resolved by arbitration under the International Chamber of Commerce Rules of Arbitration (the "Rules"), which Rules are deemed to be incorporated by reference to this Article 12. The Party requesting arbitration shall serve upon the other Party to the claim a written demand for arbitration stating the substance of the claim and the name and address of the arbitrator appointed by it. The recipient of such demand shall, within thirty (30) days after such receipt, appoint an arbitrator, and the two arbitrators shall appoint a third arbitrator who is engaged in the practice of law, and the decision or award of any two arbitrators shall be final

and binding upon the parties. The place of the arbitration shall be Prague, Czech Republic, unless the parties mutually agree to another location. The language of the arbitration shall be English. The fees of the arbitrator(s) and related expenses of arbitration shall be apportioned among the parties as determined by the arbitrator(s). The prevailing party, as determined by the arbitrator(s), shall be entitled to an award of reasonable attorneys' fees and costs.

### **Article 13 Waivers and Severability**

No waiver by either Party of any breach of any condition or agreement herein shall be construed to be a waiver of that condition or agreement or any subsequent breach thereof or of a covenant of this Agreement by such Party. Any term or provision of this Agreement which is invalid or unenforceable will be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining rights of the party intended to be benefited by such provision or any other provisions of this Agreement.

### **Article 14 Governing Law**

This Agreement shall, in all respects, be governed by and interpreted in accordance with the laws of the Czech Republic.

### **Article 15 Invoice**

15.1 The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to:

RFE/RL Accounts Payable,  
Vinohradská 159A,  
100 00 Prague 10,  
Czech Republic:

OR

Electronically to [invoice@rferl.org](mailto:invoice@rferl.org)

15.2 An invoice must include name, address, banking information, and original signature of vendor; description of services, rates with certified time sheets for hours billed, and currency of billed items or services; due date of payment and any special conditions that may apply;

RFE/RL's Designated Representative shall review and either accept or deny (in whole or in part) such invoices. Invoices accepted in full shall be paid within 30 business days of acceptance by RFE/RL.

15.3 Contractor will be solely responsible for the payment of all required taxes to the proper authorities. RFE/RL will provide no other payments, contributions or company-sponsored benefits.

15.4 Contractor hereby gives its irrevocable consent to RFE/RL to disclose any and all data concerning the fee that it receives for its services or any other valuable consideration it receives, pursuant to the terms of this Agreement, to competent American authorities.

15.5 The contractor will be notified concerning any incorrect invoice(s) and shall correct the invoice(s) prior to payment.

### **Article 16 Taxes**

The contract price includes all applicable taxes and duties.

### **Article 17 Contractor Employees**

17.1 Employment. The Contractor shall perform the Services through its own employees. In performing the Services, the Contractor may perform the Services through its subcontractors, provided that such subcontractors shall be subject to the prior written consent of the Customer.

When performing their work assignments at the Facilities, the Contractor employees shall be appropriately uniformed provided that such uniforms are subject to the prior approval of the Customer and shall include, without limitation, all apparel, and visible badges.

17.2 Security Clearances & Reports. The Contractor employees shall have a clear criminal record evidenced by an extract from the Penal Register maintained by the Office of the General Prosecutor of the Czech Republic (in Czech: "výpis z rejstříku trestů"). The Contractor shall provide to the Customer the extracts of the Contractor employees for review upon request.

## **Article 18 Conditions of Use of Facilities**

18.1. The Customer hereby grants to the Contractor an exclusive right to use the Facilities and the Contractor hereby accepts such right of use and agrees to use the Facilities in accordance with the terms and conditions set forth herein.

18.2. The Customer hereby reserves the right to use the Facilities for meetings and/or other formal gatherings prior to or following the regular operating hours of the Dining Room provided that after each such use the Facilities shall be returned by the Customer to the Contractor in conditions which existed prior to such use.

18.3. The Contractor shall use the Facilities only in connection with provision of the Services to the Customer under this Agreement, unless otherwise agreed with the Customer.

18.4. The Contractor shall at all times maintain the Facilities in a clean and sanitary manner and in a good condition and in compliance with its internal procedures and all local laws, including without limitation, all hygienic, health, security and fire regulations. The Facilities are subject to inspections by the authorized health and hygienic authorities, fire department, and other agencies controlling compliance with safety requirements.

18.5. The Contractor shall notify the Customer in writing of any notices of violations received during or in connection with any inspections of the competent local authorities. Any such notice from the Contractor shall include a detailed description of all actions taken and/or to be taken to remedy conditions resulting in such violations.

18.6. If the Contractor becomes aware of any condition which is or could be deemed as unsafe, unhealthy, or could in any other way cause an accident, the Contractor shall immediately make or cause to be made appropriate repairs and/or measure to remedy such condition.

18.7. The Contractor shall notify the Customer of any maintenance problems beyond the scope of the Contractor's responsibility provided, however, that the Contractor shall bear the expense incurred in connection with such repairs or maintenance necessary because of its own or any of the Contractor employee's willful misconduct or negligence.

18.8. Upon termination of this Agreement for any reason, the Contractor shall return the Facilities to the Customer in a condition corresponding to the status existing at the Commencement Date, taking into account reasonable wear and tear.

18.9. The Customer agrees to assume, at its own expense, the following responsibilities with respect to the use of the Facilities by the Contractor:

18.9.1 To provide adequate ingress and egress to the Contractor, including reasonable use of the corridors, passageways, and loading platforms at the Office;

18.9.2 To make such improvements and/or alterations to the Facilities as mutually agreed by the Parties;

18.9.2 To maintain and repair the building structures in the area of the Facilities, including painting and redecoration; the maintenance of water, steam, sewer and electrical lines; grease traps, ventilation, and air conditioning lines; electrical lighting fixtures (including revamping); space heating systems; floor coverings; walls and ceilings; provided, however, that the Contractor shall bear the expense of repairs or maintenance necessary because of its own or any of the Contractor employee's willful misconduct or negligence;

18.9.4 To provide at no charge to the Contractor heat, light, power, water sources, local telephone service, and air conditioning that may be reasonably required for the provision of the Services; and

18.9.5 To provide sanitary toilet facilities for the Contractor employees.

18.10. The Customer shall not be obliged to ensure the uninterrupted provision of the utilities and services and shall not be liable for revenue loss of the Contractor which may result from the interruptions of or a failure to provide any of the services.

#### **Article 19 Language**

Any document(s) pertaining to this contract, regardless of the language in which they are submitted, shall be accompanied by an English translation of the document(s). In the event of inconsistency between any terms of this contract and any translation into another language, the English language meaning shall control.

#### **Article 20 Order of Precedence**

In the event of any inconsistent or incompatible provisions, this signed agreement (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal.

#### **Article 21 Warrants and Representations**

21.1. The Contractor represents and warrants that it is a **[LEGAL FORM OF THE COMPANY]** company, duly organized and existing under the laws of the Czech Republic, and is fully authorized to enter into this Agreement and to perform the Services.

21.2. The relationship of the Customer and the Contractor under this Agreement shall be solely that of independent contractors, and nothing contained in this Agreement shall be construed as creating a joint venture, partnership, and principal-agent or employer-employee relationship. The Parties hereto expressly agree that the Customer shall have no liability of any nature whatsoever with respect to any Employee and no Employee, whether employed by the Contractor or not, shall be in any employment or other contractual relationship with the Customer.

21.3. Each party will take all reasonable steps to protect the confidentiality of all information communicated or made available to it by other which is not in the public domain.

21.4. The Contractor may not assign its rights and obligations under this Agreement except with the Customer's prior written consent.

21.5. The Customer, the Broadcasting Board of Governors, the Comptroller General of the United States, or any other duly authorized representatives, shall have access to any books, documents, papers and records of the Contractor which are directly related to any agreement between the Customer and the Contractor supported with Federal funds for the purpose of making audits, examinations, excerpts and transcriptions.

21.6 The Contractor certifies that neither it nor its principal employees have been debarred or suspended from contracting with the U.S. government.

21.7. The Contractor certifies that it has not paid any amount for lobbying any agency or official of the U.S. government in connection with the award of this Agreement, nor will funds received under this Agreement be used for lobbying any agency or official of the U.S. government for any purpose.

## **Article 22 Closing Provisions**

22.1 This Agreement constitutes the entire agreement of the parties with respect to the matters contained herein and all preceding written or oral agreements between the Customer and the Contractor concerning the subject matter of this Agreement shall cease to be effective by the execution of this Agreement by both parties.

22.2. Appendices A, B, C, D, E, F and G; and Exhibits A, B, C and D and Attachment A are hereby incorporated into and form an integral part of this Agreement.

## ***G. Appendices, Exhibits and Attachments***

**Exhibit A**

**Invoice for Base Fee**

**Month of \_\_\_\_\_**

<b>Fixed Fee</b>	
<b>VAT</b>	
<b>TOTAL</b>	

**Exhibit B**

***Invoice for Revenue Margin***

Month of \_\_\_\_\_

<b>Revenue Margin</b>	
<b>VAT</b>	
<b>TOTAL</b>	



**Exhibit C**

***Invoice for Reimbursement***

Month of \_\_\_\_\_

<b>Total for Reimbursement</b>	
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**Exhibit D**

**Information sheet - Reimbursement**

Month of \_\_\_\_\_

1. Costs of gross wages (prior to deduction of income tax) and remuneration paid by Contractor to the Contractor employees	
2. Costs of purchase and replacement of uniforms of the Contractor employees	
3. Costs of laundry, including linen replacement	
3. Costs of subcontracted services, approved in advance by the Customer, and provided to the Contractor by third parties in connection with the provision of the Services	
4. Costs of maintenance of the Use of Tangible Property, as this term is defined in Section 7.0 incurred by the Contractor	
4. Costs of purchase of the new equipment in accordance with Section 7.6. hereof	
6 Aggregate nominal value of meal vouchers sold by the Customer to its employees and collected by the Contractor from such Customer's employees in lieu of cash payment for the Dining Room Services provided to such employees during the respective calendar month	
7. Costs of the insurance coverage specified in Section 11 of the Agreement	
<b>TOTAL</b>	



