

**FRAMEWORK AGREEMENT BETWEEN
THE UNITED NATIONS FOUNDATION AND
THE ADAPTATION FUND BOARD**

This **AGREEMENT (the "Framework Agreement")** is between the Adaptation Fund Board ("AFB"), established by the Conference of the Parties of the United Nations Framework Convention on Climate Change serving as the meeting of the Parties to the Kyoto Protocol ("CMP") in its decision 1/CMP.3 as the operating entity to supervise and manage the Adaptation Fund (the "AF"), and the United Nations Foundation, Inc. ("UNF"), a not-for-profit corporation organized under the laws of the State of New York of the United States of America, with offices located in Washington, D.C.

WHEREAS, AFB seeks to finance concrete adaptation projects and programs in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change, taking into account that helping the most vulnerable countries and communities is an increasing challenge for the international community, especially because adaptation to climate change requires significant resources in addition to what is already needed to achieve international development objectives;

WHEREAS, AFB is interested in enhancing its activities partnering, *inter alia*, with the private sector, including corporations, foundations, non-governmental organizations and/or individual donors (the "Contributors") in support of its work; and

WHEREAS, AFB and UNF mutually express their interest and desire to strengthen and broaden their existing relationship through a partnership in support of the AF's mission and objectives by entering into this Framework Agreement;

NOW, THEREFORE, UNF and AFB agree to cooperate as follows:

**Article I
Purpose**

The purpose of this Framework Agreement is to provide a framework of cooperation and facilitate collaboration between UNF and AFB on a non-exclusive basis, in areas of mutual interest.

**Article II
Areas of Cooperation**

UNF and AFB agree to endeavor to cooperate in the following areas of activities:

- i. UNF shall receive funds raised from Contributors to support programs and activities developed in accordance with the goals, objectives and program priorities of AFB;
- ii. UNF shall grant funds raised for the AF during the term of this Framework Agreement, subject to funding received by UNF from the Contributors. Awards granted from these funds shall be made in accordance with: (a) the Grant Agreement (as hereinafter defined) and its annexes (the

“Project Documents”); (b) the Donation Agreement (as hereinafter defined); and (c) UNF’s grantmaking policies and procedures;

- iii. UNF shall provide donor management services, including providing IRS tax recognition to Contributors, where applicable, by means of an acknowledgement letter (only covering those donations drawn from U.S. banks in accordance with U.S. tax law). All online donations shall receive electronic acknowledgement letters;
- iv. UNF shall not sell, rent or share donor information;
- v. UNF shall promote the AF in its public outreach efforts where it is mutually beneficial to UNF and AFB in the form of an online donate page hosted on UNF’s website, the text of which will be jointly determined by UNF and AFB;
- vi. AFB shall add a link from its website to the UNF donate page to promote the AF and drive online donations;
- vii. UNF shall review in good faith requests from AFB related to communication, public outreach, and fundraising for other relevant AF activities and initiatives on a case by case basis;
- viii. AFB, in turn, shall promote UNF’s fundraising for the AF, using language which will be jointly determined by UNF and AFB; and
- ix. UNF reserves the right to conduct a one-time appeal to invite donors to join the UNF mailing list as a part of the donation process.

Article III Implementation

- 3.1. As UNF is an entity established under United States law, and is separate and distinct from the United Nations (“UN”), it shall not be considered, for any purposes whatsoever, as having a legal status connected with or dependent upon the UN except as otherwise set forth in the Relationship Agreement between the UN and UNF and other applicable rules, regulations and agreements governing the UN and UNF. The personnel, agents or contractors of UNF shall not be considered in any respect or for any purposes whatsoever as being the employees or agents of the UN, nor shall any personnel, representatives or other affiliates of the UN be considered, for any purposes whatsoever, as being employees or agents of UNF. Neither UNF nor AFB shall enter into any contract or commitment on behalf of the other. They shall be solely responsible for fulfilling their contractual or other obligations arising out of this Framework Agreement, including making all payments, as provided under this Framework Agreement.
- 3.2. UNF and AFB shall implement their respective obligations and responsibilities under this Framework Agreement in accordance with the regulations, rules, procedures, and any laws that are applicable to each of them.
- 3.3. In conjunction with the Donation Agreement (as defined below), prior to the transfer of funds by the UNF to the International Bank for Reconstruction and Development as trustee for the Adaptation Fund (the “Trustee”), UNF and AFB shall enter into a grant agreement which shall contain, *inter alia*, a description of the activities that the AFB foresees to finance in whole or in part with the grant funds (the “Grant Agreement”).

Article IV

Utilization of the Contribution

- 4.1 The amount of funds mobilized by UNF for the AF shall be reviewed on a quarterly basis with the intent to inform AFB of the level of available funds.
- 4.2 The use of funds transferred by UNF under this Framework Agreement and the Donation Agreement (as defined below) shall be subject to the conditions set forth in this Framework Agreement, the relevant Grant Agreement, the applicable AF's rules and regulations and UNF's grantmaking policies and procedures.
- 4.3 As AF resources are held in a trust account with the Trustee, UNF agrees to enter into a separate agreement (the "Donation Agreement") with the Trustee, governing the transfer of grant funds from the UNF to the Trustee in support of the activities described in the Grant Agreement. Any interest earned on grant funds received from UNF shall accrue to the AF's general pool of funds to support the AF's mission and shall not be accounted for as UNF grants.
- 4.4 Until such time as funds are transferred from UNF to the Trustee in accordance with the Donation Agreement and for the purposes of supporting the activities described in the Grant Agreement, discretion and control of the funds shall reside with UNF. Any interest accrued on the funds before they are transferred to the Trustee shall be collected by UNF to defray additional transaction costs over and above the 13% fee referred to in Article 5.3 hereof. UNF shall have no obligation of any nature to raise a minimum amount of funds for the AF by virtue of this Framework Agreement.
- 4.5 AFB shall be fully responsible for the achievements of all outcomes and outputs and for the implementation of all activities receiving funding through UNF hereunder.

Article V

Administration and Reporting

- 5.1 AF's activities shall be undertaken in accordance with the applicable AF's rules and regulations, to the extent consistent with UNF's grantmaking policies and procedures. Activities of the AF shall be subject to evaluations in line with established AF reporting procedures.
- 5.2 Through the Trustee, AFB shall make available to UNF, within six (6) months following the end of each fiscal year of the Trustee, an annual single audit report, comprising (1) a management assertion together with an attestation from the Trustee's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (2) a combined financial statement for all cash-based trust funds together with the Trustee's external auditor's opinion thereon. If a request to provide information concerning the amount of grant funds transferred by UNF to the Trustee is made by entities responsible for the auditing of UNF, AFB shall cooperate with UNF in supplying additional financial information as requested or required by UNF with respect to this Framework Agreement.
- 5.3 UNF shall deduct from any amount transferred through a Grant Agreement a UNF general management support costs fee of 13% for costs related to certification of contributions and

general management in accordance with UNF guidelines for the management of fiduciary funds.

- 5.4 AFB shall submit a report on the use of funds to UNF on an annual basis. The AF's Annual Performance Report, prepared by the secretariat of the AFB, and the Financial Status of the Adaptation Fund Trust Fund report, prepared by the Trustee, shall be sufficient to fulfill the reporting requirement under this Article.

Article VI Use of Name and Emblem

- 6.1. Neither UNF nor AFB shall use the name, emblem or trademarks of the other, its subsidiaries, and/or affiliates, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of the other in each case. In no event shall authorization for the use of the other's name or emblem, or any abbreviation thereof, be granted for commercial purposes, or for use in any manner that suggests an endorsement by the other partner of such partner's products or services.
- 6.2. UNF and AFB shall acknowledge their collaboration under this Framework Agreement, as appropriate. To this end, they shall consult with each other concerning the manner and form of such acknowledgement.

Article VII Duration, Termination, Modification

- 7.1. The cooperation under this Framework Agreement shall be on a non-exclusive basis and shall start on the date of the execution of this Framework Agreement and last until December 31, 2013, unless terminated earlier by either UNF or AFB upon thirty days notice in writing to the other. UNF and AFB may agree in writing to extend their cooperation under this Framework Agreement.
- 7.2. In the event of termination of this Framework Agreement, UNF and AFB shall take the necessary steps to ensure that the activities carried out under this Framework Agreement are brought to a prompt and orderly conclusion, and they shall wind up their obligations hereunder, including the disbursement of any remaining funds received by UNF for the AF (disbursement to be subject to UNF's grantmaking policies and procedures), and the provision of any information, reports, documentation, financial statements or other materials.
- 7.3. This Framework Agreement may be amended by mutual written agreement of UNF and AFB.
- 7.4. UNF and AFB shall periodically review the operations and activities under this Framework Agreement.

Article VIII Settlement of Disputes

- 8.1 UNF and AFB shall use their best efforts to settle amicably any dispute, controversy or claim arising out of or relating to this Agreement. Should UNF and AFB decide to resort to

conciliation, the conciliation shall take place in accordance with those procedures that will be agreed between UNF and AFB.

- 8.2 Any dispute, controversy or claim arising out of or relating to this Framework Agreement, including the breach, termination or invalidity thereof, which is not settled amicably in accordance with the foregoing paragraph, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules then in force. The arbitral tribunal shall have no authority to award punitive damages. UNF and AFB shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy or claim. The number of arbitrators shall be three. The language to be used in the arbitral proceedings shall be English.
- 8.3 This Framework Agreement, the relevant Grant Agreements, and the related Project Documents comprise the complete understanding of UNF and AFB in respect of the subject matter in this Framework Agreement and supersede all prior agreements relating to the same subject matter. Failure by either UNF or AFB to enforce a provision of this Framework Agreement shall not constitute a waiver of that or any other provision of this Framework Agreement. The invalidity or unenforceability of any provision of this Framework Agreement shall not affect the validity or enforceability of any other provision of the Framework Agreement.

Article IX **Notices**

Any notice required to be given by either UNF or AFB under this Framework Agreement shall be given in writing, shall be deemed given when actually received by the other, and shall be conveyed via first class mail, postage prepaid, or via private courier, facsimile or electronic mail as follows:

To the Adaptation Fund Board:

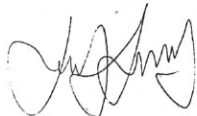
Name: Ms. Marcia Levaggi
Address: Global Environment Facility
MSN P
1818 H Street, N.W.,
Washington, DC 20433
Telephone No: 202 473 6390
Fax No: 202 522 3240
Email address: mlevaggi@theGEF.org

To the United Nations Foundation:

Name: Mr. David Burton
Address: United Nations Foundation
Business Services and Budgets
1800 Massachusetts Ave NW
Suite 400
Washington, DC 20036
Telephone No.: 202 887 9040
Fax No.: 202 887 9021

IN WITNESS WHEREOF, the duly authorized representatives of the United Nations Foundation and the Adaptation Fund Board have affixed their signatures below.

FOR the Adaptation Fund Board:



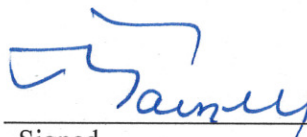
Signed

Mr. Luis Santos, Chair

October 5th, 2012

Date

FOR the United Nations Foundation:



Signed

Richard S. Parnell, COO

Date

11/7/12