TRANSFER AGREEMENT UNDER THE STOLEN ASSET RECOVERY INITIATIVE MULTI-DONOR TRUST FUND
(TF No. 071149)

WHEREAS the International Bank for Reconstruction and Development and the International Development Association (together, the Bank) and the United Nations, represented by the United Nations Office on Drug and Crime (UNODC, and together with the Bank, the Parties) are entering into this Transfer Agreement for the transfer of funds from the Stolen Asset Recovery Initiative Multi-Donor Trust Fund (TF No. 071149) (the StAR Trust Fund);

WHEREAS the StAR Trust Fund will be established through certain Administration Agreements among the Bank, as Administrator (the Administrator), each of the donors (collectively, the Donors) contributing funds to the StAR Trust Fund, and UNODC (the Administration Agreements). All defined terms used herein not otherwise defined herein are as defined in the Administration Agreements;

WHEREAS each activity to be financed by funds from the StAR Trust Fund must be approved by the StAR Management Committee and designated as an activity managed either by the Bank (a Bank-Managed Activity) or by UNODC (a UNODC-Managed Activity). Bank-Managed Activities and UNODC-Managed Activities are conducted under the Bank’s and UNODC’s respective responsibilities in accordance with their respective policies and procedures; and

WHEREAS, under the Administration Agreements, UNODC may provide requests to the Administrator for the transfer of funds from the StAR Trust Fund to finance UNODC-Managed Activities, which the Bank shall transfer under this Transfer Agreement in accordance with the terms set forth herein;

NOW THEREFORE, the Parties hereto agree as follows:

1. In the event UNODC requires specific funds from the StAR Trust Fund to conduct specific UNODC-Managed Activities, as designated and approved by the StAR Management Committee, UNODC (through the UNODC Contact, as defined in paragraph 10 below) shall present a request in substantially in the form of Schedule 1 attached hereto (a Request) to the Coordinator of the StAR Secretariat, for use in accordance with the budget and disbursement schedules presented in Concept Notes and Country Strategies, provided that any amount to be transferred by the Bank to UNODC is consistent with and does not exceed the specific funding allocations from the StAR Trust Fund approved by the StAR
Management Committee for specific UNODC-Managed Activities. The Coordinator of the StAR Secretariat shall in turn notify the Administrator of such request. Upon receipt of such a request from the Coordinator of the StAR Secretariat, the Administrator shall, on behalf of the Donors, subject to paragraph 2 below, transfer such funds to UNODC (a Transferred Amount).

2. Subject to paragraph 1 above, the Administrator shall, in response to a Request, transfer the requested amount to UNODC by wire transfer to the account specified in such Request, provided the amount of available uncommitted funds in the StAR Trust Fund exceeds such amount and such transfer is made prior to June 30, 2011.

3. UNODC agrees that any Transferred Amounts, and any income earned thereon, (the Funds) shall be used by UNODC only for the activities and expenditures described in Annex 1 of the Administration Agreements, as may be amended from time to time (the AA Annex 1), and shall be governed by the terms and conditions of this Transfer Agreement. Any amendment to the AA Annex 1 shall directly apply to this Transfer Agreement, without requiring further amendment hereof, on a prospective basis as of the effectiveness of such amendment to (i) funds already transferred to UNODC but not yet expended or committed by UNODC, and (ii) funds yet to be transferred to UNODC; provided that the Administrator notifies UNODC of any such amendment promptly following its effectiveness.

4. UNODC agrees that the Funds shall be kept separate and apart from the funds of UNODC in one or more dedicated project accounts. The Funds in these dedicated project accounts may be commingled and may be freely exchanged by UNODC into other currencies as may facilitate their further disbursement.

5. In order to assist in the defrayment of the costs of administration and other expenses incurred by UNODC under this Transfer Agreement, UNODC may levy a charge for programme support costs equivalent to seven percent (7%) of expenditures of any Transferred Amount, and retain the funds recovered through this charge for UNODC’s own account.

6. Following the transfer of any amounts requested by UNODC, (i) UNODC shall be responsible for the Funds and agrees to handle and use the Funds, including employment and supervision of consultants and the procurement of goods financed by the Funds, in accordance with UNODC’s policies and procedures; and (ii) notwithstanding the StAR Management Committee’s role in approving StAR’s work plan, budget, specific activity proposals and annual report, or its role in overseeing StAR activities, the Bank shall have no responsibility, fiduciary or
otherwise, to the Donors or UNODC or otherwise, for the implementation and supervision of activities financed by the Funds

7. UNODC acknowledges and agrees that the Bank has no responsibility, under the Administration Agreements or otherwise for (i) confirming the use of the Funds; (ii) implementing, monitoring, supervising, evaluating, or providing quality assurance for activities financed by the Funds; (iii) providing Donors with financial, progress, results or impact reporting for activities financed by the Funds, other than transferring reports provided by UNODC as a facilitating activity by the StAR Secretariat; (iv) any misuse or misprocurement with respect to the Funds; or (v) pursuing any Donor interests or UNODC undertakings with respect to the Funds, it being understood that UNODC in turn has no responsibility for the aspects listed above with respect to funds in the StAR Trust Fund that are not transferred to UNODC. UNODC acknowledges and agrees that any financial statements with respect to use of the Funds are the responsibility of UNODC. UNODC further acknowledges and agrees that any Donor remedy or pursuit of Donor interests with respect to the Funds shall arise directly between each Donor and UNODC, without involvement of the Bank.

8. UNODC shall (i) maintain separate records and ledger accounts with respect to the Funds, and (ii) provide on an annual basis, copies of all financial statements and auditors’ reports in accordance with UNODC’s policies and procedures in United States dollars to the StAR Secretariat, subject to paragraph 7 above, for distribution to the Donors.

9. Subject to paragraph 7 above, (i) UNODC shall provide semi-annual summary reports on progress in carrying out activities financed by the Funds, each including an assessment of impacts, outputs and results, to the StAR Secretariat for distribution to the Donors; and (ii) UNODC shall provide a final report on all such activities to the StAR Secretariat within six months of June 30, 2011 for distribution to the Donors.

10. The persons listed below (the Administrator Contact and UNODC Contact, respectively, and each a Contact), or any other person authorized for the purpose in writing by one Contact and notified to the other Contact, may take any action required or permitted to be taken, and execute any documents required or permitted to be executed, pursuant to this Transfer Agreement on behalf of its respective organization; provided that any such Contact must be an employee of the respective organization. Any notice or request required or permitted to be given or made under this Transfer Agreement by a Contact shall be in writing delivered to the other Contact at the address set forth below or such other address
notified in writing by the Contact to which the notice or request is delivered, to
the Contact issuing the notice or making the request.

Administrator Contact:

Adrian Fozzard
StAR Coordinator and Lead Public Sector Specialist
PRMPS
The World Bank
1818 H Street, NW
Washington, DC 20433, USA
Tel: 202-473-8950
Fax: 202-522-7132
Email: afozzard@worldbank.org

UNODC Contact:

Dimitri Vlassis
Chief, Corruption and Economic Crime Section,
Division of Treaty Affairs
Vienna International Center,
P.O. Box, 500, 1400 Vienna, Austria
Tel: +43 1 26060 4534
Fax: +43 1 26060 6711
Email: Dimitri.Vlassis@unodc.org

11. Each of the Bank and UNODC shall be responsible only for performing their
respective functions specifically set forth in this Transfer Agreement and shall not
be subject to any other duties or responsibilities, including, without limitation, any
duties or obligations that might otherwise apply to a fiduciary or trustee under
general principles of trust or fiduciary law. Nothing in this Transfer Agreement
shall be considered a waiver of any privileges or immunities of the International
Bank for Reconstruction and Development, the International Development
Association and UNODC under their respective Articles of Agreement or any
applicable law, all of which are expressly reserved.

12. UNODC consents to disclosure of this Transfer Agreement and information
on the StAR Trust Fund in accordance with the Bank’s policy on disclosure of
information. This provision shall continue in full force and effect following
completion of all StAR Trust Fund disbursements and termination of the
Administration Agreements. The Administrator may furnish a copy of this Transfer Agreement and any amendments thereto to any Donor.

13. This Transfer Agreement may be terminated by either party upon three (3) months prior written notice. In the event of any such termination, unless the Parties agree on another course of action, (i) any agreement entered into prior to the termination between UNODC and any consultants and/or other third parties will remain in effect and be unaffected by the termination, and (ii) UNODC will be entitled to continue to disburse Funds in respect of such agreements to the extent necessary to fulfill UNODC's obligations thereunder as if this Transfer Agreement had not been terminated. All other Funds remaining with UNODC after such termination shall be returned to the Administrator for deposit in the StAR Trust Fund (or returned to the Donors pro rata to their respective contributions to the StAR Trust Fund if the StAR Trust Fund has been closed).

14. UNODC agrees that it shall not incur any expenditures (whether paid, disbursed or otherwise) with respect to the Funds after December 31, 2010 (the End Date). Any unexpended Funds remaining with UNODC after the End Date shall be returned to the Administrator for deposit in the StAR Trust Fund (or returned to the Donors pro rata to their respective contributions to the StAR Trust Fund if the StAR Trust Fund has been closed).

15. UNODC shall immediately inform all Donors, with a copy to the Bank, of any illegal or corrupt practice in any activity financed under the Transfer Agreement. After consultation with UNODC, the Donors collectively based on consensus (but not individually) may ask the Bank to withhold disbursements on the Transfer Agreement in case of (a) a substantial deviation from work plans and budgets approved by the StAR Management Committee; (b) failure of UNODC to provide reports required under the Transfer Agreement; or (c) evidence of financial mismanagement of UNODC-Managed Activities. The Donors may collectively based on consensus or individually (up to their respective pro rata shares of uncommitted in the StAR Trust Fund in accordance with paragraph 8.3 in this Annex with respect to the funds in question under (a), (b) or (c) above) claim repayment in full or in part directly from UNODC to the extent UNODC has been able to obtain repayment from the negligent party if the funds are found to be misused or not satisfactorily accounted for. Such repayment shall be in accordance with the UNODC's financial regulations and rules. Before withholding disbursement or claiming repayment, UNODC and the Donors shall consult with a view to resolving the matter promptly.
16. UNODC agrees that each of the Donors shall have the rights specified in this Transfer Agreement as third party beneficiaries with the ability to seek direct recourse against UNODC at any time for any enforcement or breach thereof. UNODC irrevocably consents to the novation and/or assignment by the Bank to any such Donor of any and all of such rights and further agrees to take any actions required by the Bank and/or any such Donor to give full effect and force to any such novation and/or assignment. UNODC agrees that the purpose of this clause is to enable each such Donor to seek direct enforcement or recourse against UNODC with respect to any unmet or breached obligations, including but not limited to the intended use of the Funds, hereunder.

17. This Transfer Agreement may be amended only by written agreement between the Bank and UNODC. In the event of conflict between this Transfer Agreement and the Administration Agreements, the Administration Agreements shall prevail.

18. This Transfer Agreement can be executed in separate counterparts and by each party separately on a separate counterpart, and each such counterpart, when so executed, shall be an original. Such counterparts shall together constitute one and the same instrument.

19. The Parties agree that this Transfer Agreement shall become an integral part of the Administration Agreements and further agree that this Transfer Agreement will become effective as of November 3, 2008.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]
Danny M. Leipziger
Vice-President and Head of Network
Poverty Reduction and Economic Management Network
Date: 12/10/2008

UNITED NATIONS, as represented by
UNITED NATIONS OFFICE ON DRUG AND CRIMES

[Signature]
Ms. Kuniko Ozaki
Director,
Division for Treaty Affairs,
Date: 10 Dec 2008
Schedule 1

Form of UNODC Request for Transfer of Funds

[UNODC letterhead]

[Date]

[name of Coordinator of the StAR Secretariat]
Coordinator of the StAR Secretariat
PRMPS
The World Bank
1818 H Street, NW
Washington, DC 20433, USA

RE: StAR Trust Fund (TF No. 071149)

Dear [name of Coordinator of the StAR Secretariat]:

Reference is made to the Transfer Agreement between the International Bank for Reconstruction and Development and the International Development Association (collectively, the Bank) and the United Nations, represented by United Nations Office on Drugs and Crime (UNODC), effective as of November 3, 2008 (the Transfer Agreement), in which the Bank has agreed to transfer funds to UNODC for the Stolen Asset Recovery Initiative (StAR) consistent with the terms of the Administration Agreements for the Multi-Donor Trust Fund for StAR (TF No. 071149).

Pursuant to paragraph 1 of the Transfer Agreement, UNODC hereby requests you to transmit [insert amount] from the StAR Trust Fund for UNODC's use consistent with the terms of the Transfer Agreement, for the following UNODC-Managed Activities (as such term is defined in the Transfer Agreement) scheduled to be disbursed within the period from ...... to ...... in the July 2008 to June 2009 fiscal year; in accordance with Concept Notes approved by the StAR Management Committee and as may have been updated in an annual budget:

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<tr>
<th>UNODC-Managed Activity</th>
<th>Approved Amount $</th>
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Please make the payment by wire transfer to: [insert name of bank, account information and other transmittal details].

Sincerely,

UNITED NATIONS, as represented by
UNITED NATIONS OFFICE ON DRUG AND CRIMES

[name]
[title]
as UNODC Contact pursuant to the Transfer Agreement