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PURCHASE ORDER TERMS AND CONDITIONS

1. PERFORMANCE AND DELIVERY

The Vendor shall commence performance of this purchase order on the effective start date and shall make final delivery of completed tasks and work products no later than the completion/delivery date indicated on the cover page of this purchase order, unless this purchase order is cancelled earlier or extended by written modification executed by the Parties. Any specific delivery schedule(s) for services and/or work products ordered hereunder will be specified in Attachment 1. Whenever the Vendor knows, or reasonably should know, that any actual or potential condition is delaying, or threatens to delay, the timely performance of work under this purchase order, the Vendor shall, within five (5) calendar days, provide Pact written notice thereof, including all relevant information with respect thereto.

2. PURCHASE ORDER PRICE

The Vendor shall provide the services and work products specified in Attachment 1 up to ceiling or fixed price indicated on the cover page of this purchase order. Price(s) set forth in this purchase order, including modifications, shall be the only amount payable to the Vendor by Pact upon satisfactory fulfillment of requirements this purchase orders.

3. STATEMENT OF WORK (Attachment 1)

The Vendor shall provide the services and delivery of the work products specified in Attachment 1. The Vendor shall perform the work required hereunder according to the highest professional standards, utilizing qualified personnel, good and sufficient materials and equipment. The Vendor may receive, and shall abide by, technical directions from Pact's Project Manager. The Vendor shall be responsible for providing or arranging for all logistic support.

The Vendor warrants that its services, as specified herein, will be performed in a professional manner and will meet the descriptions, specifications and standards required by Pact.

4. KEY PERSONNEL

The Vendor shall make available the key personnel if identified and designated as such to perform the work under this purchase order. Prior to diverting such key personnel, the Vendor shall notify the Pact Project Manager, reasonably in advance, and shall submit justification and explanation (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the purchase order (including cost implications, if any). No diversion or replacement of key personnel shall be made by the Vendor without Pact's prior written consent.

PACT reserves the right to order the removal of any Vendor personnel performing under this purchase order for non-performance and/or misconduct. Vendor shall comply with any such order by Pact to remove and suspend the services of any Vendor personnel under this purchase order. In the event of non-performance, replacement costs (i.e., travel and transportation, etc.) shall be the responsibility of the Vendor.

The Vendor shall meet and abide by all approval (including international travel) and security requirements for its personnel performing under this purchase order that may be required by Pact and/or the Pact client that provides funding for this purchase order.

5. INVOICING AND PAYMENT

For fixed price purchase orders, the Vendor should submit its invoice to Pact according to the negotiated payment schedule included in Attachment 1. For time and material purchase orders, the Vendor should submit invoices monthly. The Vendor certifies that each invoice presented for payment shall be solely for services performed and work products delivered and no part or portion of any invoice represents or is attributable to any payment, gift, gratuity or other thing of value given to any person, organization, entity or governmental body (except for those payments required by law). Pact agrees to pay the Vendor for its invoices submitted within 30 days of receipt of a proper invoice provided that the requirements of this purchase order are being met by the Vendor, including the submission of work products according to the schedule specified in the Statement of Work. Reimbursement for travel and per diem expenses shall be in accordance with the Federal Travel Regulations.

A proper invoice must include:

1. The Vendor's name and complete address;
2. Date of invoice;
3. The purchase order number;
4. The period/services/deliverables covered by the invoice; and
5. For time-and-material/cost-reimbursable purchase orders: an itemized breakdown of costs, both cumulative and for the billing period, showing the type of cost, number of units, unit cost, and total cost for each item billed for the period.
6. For fixed-price purchase orders: the fixed amount billed for the stated deliverable.

Invoices shall be submitted in an original and two (2) copies.

Payments shall be made to the Vendor by electronic bank transfer to the bank account provided by the Vendor on the invoice unless another mechanism is requested by the Vendor.

In addition to any other available remedies, if, in the opinion of Pact, the Vendor fails to perform in accordance with the terms of the contract, the Pact Project Manager may refuse or limit approval of any invoices for payment, and may cause payments to the Vendor to be reduced or withheld until such time as Pact determines that the Vendor has met the performance terms as established by the contract.

6. TAXES

Pact, Inc. is a tax-exempt organization under Section 501(c)3 of the U.S. Internal Revenue Code and in the District of Columbia. The Vendor shall recognize Pact, Inc.'s tax-exempt status where provided. For other jurisdictions, the Vendor's invoices shall state applicable taxes owed by Pact, if any, by tax jurisdiction and with a proper breakdown between taxable and non-taxable items. The Vendor shall remit such tax payments to the appropriate jurisdiction. The Vendor will indemnify Pact from any claims by any jurisdiction relating to taxes paid by Pact to the Vendor; and for any penalties, fines, additions to tax or interest thereon imposed as a result of the Vendor's failure to remit the taxes in a timely manner to the appropriate taxing jurisdiction or for the Vendor's failure to invoice Pact for the correct amount of taxes.

7. INSPECTION OF WORK AND RECORDS

Pact and its client funding the work out of this purchase order have the right to monitor, inspect and evaluate the work performed or being performed under this purchase order, including the premises where the work is being performed at all reasonable times and in a manner that will not unduly delay the work. If either Pact or the client performs inspection or evaluation on the premises of the Vendor or its lower-tier subcontractors, the Vendor shall furnish and requires its subcontractors to furnish all reasonable facilities and assistance for the safe and convenient conduct of these duties. The Vendor shall maintain books, records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this purchase order. The Vendor agrees that these records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized agents of Pact. The Vendor shall retain all such records concerning this purchase order for a period of three (3) years after the completion of the purchase order. If any litigation, claim or audit is started before the expiration date of this three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

8. REQUIRED INSURANCE

The Vendor shall be responsible for obtaining and maintaining all insurance including workers' compensation, employer's liability, medical evacuation, general liability and automobile liability. The limits of coverage under each insurance policy maintained by Vendor shall not be interpreted as limiting the Vendor's liability and obligations under this purchase order. Upon request by Pact, the Vendor shall furnish Pact with a certificate of insurance depicting the insurance requirements set forth in this section. Pact reserves the right at any time to immediately terminate the purchase order, or any portion thereof, if in Pact's opinion such insurance coverage is inadequate.

8. RESTRICTED COUNTRIES

The Vendor is prohibited from obtaining goods or services to fulfil any of the requirements of this purchase order from the following countries: Libya, Cuba, Laos, Iran, North Korea, and Syria.

9. CHANGES AND MODIFICATIONS

Changes ordered by Pact that cause an increase or decrease to the cost or time required to perform the work ordered, the Parties shall negotiate an equitable adjustment in price to account for the increase or decrease. All changes ordered by Pact must be ratified in a written modification to this purchase order and duly executed by authorized officers of Pact and the Vendor.

11. COMPLETE AGREEMENT

This purchase order expresses the entire agreement and understanding of the parties with respect to the subject matter hereof, supersedes prior oral and written agreements between the parties, and may only be modified by an instrument in writing executed by both the Vendor and Pact.

12. INDEPENDENT CONTRACTOR STATUS

This purchase order does not bind nor purport to bind the donor or sponsor agency providing funds to Pact. The execution of this purchase order and performance of the work contracted hereunder shall not (a) create the relationship of principal and agent, employer and employee, joint venture, or partnership between Pact and the Vendor; and (b) establish any privity of contract between the Vendor and Pact's client that provides funding for this purchase order.

13. INDEMNIFICATION

13.1 The Vendor is solely and exclusively liable to third parties for all costs incurred by the Vendor, all claims of damages against the Vendor arising out of, or based on its performance of this purchase order. The Vendor shall indemnify and hold harmless Pact and Pact's clients, including their respective officers, agents and employees, against all liability or loss, demands, suits, damages and claims or actions, fines or judgments (including costs, attorney's and witnesses' fees and expenses incident thereto) based upon or arising out of property loss or damage and of personal injury or death which may be sustained by the Vendor or by any of its employees, agents, consultants, or subcontractors as a result of performing the work required under this purchase order, excepting only liability arising from affirmative acts, done with intent to cause loss, damage or injury, by Pact or Pact's client(s) or the officers, agents or employees of either.

13.2 Patent Indemnity. The Vendor shall indemnify Pact and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this purchase order.

14. ASSIGNMENT

This purchase order or any interest herein nor claim hereunder shall not be assigned, transferred, or subcontracted by the Vendor except as expressly agreed upon in writing by Pact's contracting authority.

15. CONFIDENTIAL INFORMATION

15.1 The Vendor may become privy to confidential information either provided to the Vendor by Pact or discovered by the Vendor without the knowledge of Pact. The Vendor agrees to treat such information as confidential and to use such information only for the purposes of carrying out the work under this purchase order. The Vendor further agrees that such information will not be disclosed to any third party without the prior written consent of Pact and return to Pact all original and copies of such information upon completion of this agreement or whenever requested by Pact, whichever occurs first.

15.2 No news release, public announcement, denial or confirmation of any part of the subject matter of this agreement shall be made without the prior written consent of Pact. The restrictions of this article shall continue in effect upon completion or termination of this purchase order for such period of time as may be mutually agreed upon in writing by the parties. In the absence of a written established period, no disclosure is authorized.

16. OWNERSHIP OF DATA AND WORK PRODUCTS

The Vendor agrees that all project data first produced under this purchase order are owned by Pact, Inc. All Work or Work Products delivered by the Vendor under this purchase order shall be deemed a "work made for hire" and all rights and ownership therein shall immediately vest in Pact, Inc. All copyright and intellectual property rights herein shall vest in Pact, Inc.

17. WARRANTIES

The Vendor warrants that:

17.1 The Vendor and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded for the award of contracts by any Federal agency.

17.2 It is not aware of relevant facts or circumstances which might indicate the existence of or give rise to actual or potential organizational conflicts of interest. Organizational conflict of interest means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

17.3 It has all the rights necessary to perform the services and deliver the work products ordered and shall perform its responsibilities under this purchase order in a professional and highly skilled manner and to standards not less than those generally accepted in the Vendor's industry.

17.4 The items delivered hereunder are merchantable and fit for use for the particular purpose specified in this purchase order.

18. STOP-WORK ORDER

PACT's contracting authority, may at any time, by written order to the Vendor require the Vendor to stop all, or any part, of the work called for by this purchase order for a specified period after the order is delivered to the Vendor, and for any further period to which the parties may agree. Upon receipt of the order, the Vendor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

19. EXCUSABLE DELAYS

The Vendor shall be liable for default unless non-performance is caused by an occurrence beyond the reasonable control of the Vendor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Vendor shall notify PACT in writing as soon as it is reasonably possible after the commencement of any excusable delay.

20. TERMINATION

20.1 For Convenience. Pact may terminate performance of work under this purchase order, in whole or in part, for its convenience upon thirty (30) days notice to the Vendor without obligation or liability of any nature except to make payments to the Vendor for services rendered up to the effective date of termination. Upon such notice, the Vendor shall use its best efforts to conclude its work and minimize costs up to the effective termination date of the purchase order.

20.2 For Default. If either party defaults in its obligations under this purchase order fails to cure the default within ten (10) days after receiving written notice specifying the default, the party not in default shall be entitled to immediately terminate the purchase order upon written notice to the other party. Pact shall not be liable to the Vendor for any amount for goods and/or services not accepted by Pact. The election to terminate shall not be construed to be an election of remedies or a waiver thereof, and the party not in default shall be entitled to each and every other remedy available at law and/or in equity.

20.3 Bankruptcy. If the Vendor shall be declared insolvent or bankrupt, or if any assignment of its property shall be made for the benefit of creditors or otherwise, or if its interest herein shall be levied upon under execution or seized by virtue of any writ of any court, or if a petition is filed in any court to declare the Vendor bankrupt and not dismissed within sixty (60) days, or if a trustee in bankruptcy, receiver or receiver-manager or similar officer is appointed for the Vendor or for any of the Vendor's assets, then Pact may, at its option, terminate, without charge,

this purchase order or a portion thereof and shall thereupon be free from all liability under this purchase order. The ability of Pact to terminate in such instances shall be subject to the applicable bankruptcy and insolvency statutes.

21. COMPLIANCE WITH LAWS AND REGULATIONS

21.1 The Vendor shall comply with all laws and regulations of Federal, State, or local governments, as well as all U.S. statutes, regulations, and administrative requirements regarding relationships with non-U.S. governmental and quasi-governmental entities including but not limited to the export control regulations of the Department of State and the International Traffic in Arms Regulations (ITAR), the Department of Commerce and the Export Administration Act (EAA), the anti-boycott and embargo regulations and guidelines issued under the EAA, and the regulations of the U.S. Department of the Treasury, Office of Foreign Assets Control. Vendor shall give all notices and obtain all permits and licenses required under such laws.

21.2 The Vendor acknowledges and understands that it must comply fully with the anti-bribery provisions of the U.S. Foreign Corrupt Practices Act, as amended ("FCPA"). Specifically, the Vendor understands and agrees that it shall be unlawful for the Vendor and/or any officer, director, employee or agent of the Vendor to make any kind of offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to either:

- A. any foreign official (or foreign political party) for purposes of either influencing any act or decision of such foreign official in his official capacity, or inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage, or inducing such foreign official to use his influence with a foreign government, or instrumentality thereof, to affect or influence any act or decision of such government or instrumentality in order to assist such person in obtaining or retaining business for or with, or directing business to any person; or
- B. to any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official (or foreign political party), or to any candidate for foreign political office, for any of the prohibited purposes described above.
- C. Further, the Vendor acknowledges that "foreign official" means any officer or employee of a foreign government or any department, agency or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization.

21.3 Vendor shall take affirmative action in compliance with all Federal and State requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or physical handicap.

21.4 Vendor agrees to comply with all U.S. export control laws and regulations, including but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 CFR 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 24012420, including the Export Administration Regulations, 15 CFR 730-774; including the requirement for obtaining any export license or agreement, if applicable. The Vendor agrees to notify Pact if any deliverable under this purchase order is restricted by export control laws or regulations. The Vendor shall immediately notify Pact if the Vendor is, or becomes listed in any Denied Parties List or if the Vendor's export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. Government entity or agency.

21.5 The Vendor shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorney's fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Vendor, its officers, employees, agents, or subcontractors at any tier, in the performance of any of its obligations under this section. Vendor shall include the terms of this section in all subcontracts issued when technical data is provided to such subcontractors.

22. DISPUTES

In case of a dispute arising from this agreement, the parties shall use their best efforts to arrive at a mutually acceptable resolution. Any dispute that is not settled through best efforts shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Arbitration shall take place in Washington, D.C. The language of arbitration shall be English. Arbitrator(s) shall be appointed as provided in the American Arbitration Association Commercial Arbitration Rules. The arbitrator(s) may not award punitive or special damages. The parties in dispute shall each pay its own expenses in

conjunction with the arbitration, but the compensation and expenses of the arbitrator(s) shall be borne in such manner as may be specified in the decision of the arbitrator(s). No news release, public announcement, denial or confirmation of any part of the subject matter of this agreement shall be made without the prior written consent of Pact. The restrictions of this article shall continue in effect upon completion or termination of this Agreement for such period of time as may be mutually agreed upon in writing by the parties. In the absence of a written established period, no disclosure is authorized. The Vendor shall proceed diligently with its performance of this purchase order pending the final resolution of any dispute arising or relating to this purchase order. Pact shall continue to reimburse the Vendor for its allowable costs in accordance with the payment provisions of this purchase order except for those costs related to the dispute.

23. APPLICABLE LAW

This purchase order shall be governed by and construed under the laws of the District of Columbia, not including the 1980 United Nations Convention on Contracts for the International Sale of Goods.

24. FLOW-DOWN PROVISIONS

If this purchase order will be paid with USAID funds, Pact's prime award from USAID requires the flow-down of select provisions to the Vendor. To determine applicability, directive statements of applicability are contained in the parenthetical statement preceding the standard provision. When a standard provision is applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with ADS Chapter 303.5.3. These provisions can be downloaded from

<http://www.usaid.gov/policy/ads/300/303.pdf>

Where the U.S. Government or USAID is mentioned in the standard provisions, "Pact, Inc." shall be substituted and the provision shall be read and interpreted to assign to Pact the authorities and functions of USAID unless these are reserved and cannot be delegated to Pact.

25. VALIDITY OF TERMS

If any term herein is determined to be unenforceable, such a determination shall not affect the validity of the remaining provisions provided that such unenforceability does not materially affect the parties' rights under this purchase order. The failure of a party to enforce any provision herein, it shall not constitute a waiver of such provision or the right of such party to enforce such provision and every other provision.

26. ORDER OF PRECEDENCE

In the event of an inconsistency between provisions of this purchase order, the inconsistency shall be resolved by giving precedence in the following order: (a) the terms and conditions of this purchase order and (b) the Statement of Work.

-End-

Last revised: 4/17/09