**GENERAL TERMS & CONDITIONS**

**1. Offer & Agreement.** The following terms together with such terms as are set forth on the face of this agreement, with such other documents as may be incorporated by reference or attached hereto, and with such additional terms as are approved in writing FHI Development 360 LLC (FHI 360), hereinafter referred to as "FHI 360" in any Change Notice issued to this order, constitute the offer of FHI 360 to Vendor and shall, when accepted, constitute the entire order or contract between FHI 360 and Vendor. FHI 360 hereby gives notice of its objection to any different or additional terms. This agreement shall be deemed to have been accepted upon Vendor's signed acceptance on the cover of this order or commencement of performance (whichever is applicable). Any reference herein to any proposal, quotation, or other communication by Vendor shall, unless indicated to the contrary herein, be deemed to be limited to the description of the services and to be limited by the terms set forth or incorporated by reference herein.

**2. Terms of Payment.** Vendor shall invoice FHI 360 at the address indicated in Block 6 to the attention of the FHI 360 Purchase Agent (Block 10). Vendor shall be paid services not later than thirty (30) days after completion/acceptance of the required supplies and receipt of an acceptable invoice requesting payment.

**3. Compliance with Law.** Vendor's performance of work hereunder and all products to be delivered hereunder shall be in accordance with any and all applicable federal, state, municipal, other country-specific governmental agencies and local laws, ordinances, rules, orders, requirements and regulations as may be applicable under each jurisdiction covering the work, products or services provided under this agreement. Compliance with all laws shall include the payment of all applicable and required taxes resulting from this transaction.

**4. Title and Risk of Loss.** Title to and risk of loss of, each product and/or service to be delivered/provided hereunder shall, unless otherwise provided herein, pass from Vendor to FHI 360 upon acceptance of such product/service by FHI 360.

**5. Inspection.** (a) All material and work in progress may be inspected by FHI 360 prior to final acceptance. If any inspection, whether preliminary or final, indicates any reasonable deficiency, then Vendor shall be given sufficient time to correct that deficiency. All inspections shall be performed in such manner as will not unreasonably delay the work. (b) Vendor shall work within professional standards and limitations specified on work statements, drawings and specifications covering the work and shall make such inspections as are deemed necessary to insure Vendor compliance, unless deviation there from is authorized in writing by FHI 360. (c) All shipments of materials shall be subject to final inspection by FHI 360 after receipt by FHI 360 at destination. If material supplied or work performed by Vendor is found to be defective, Vendor shall be given the opportunity to correct any deficiencies within a reasonable period of time. If correction of such work is impracticable, Vendor shall bear all risk after notice of rejection and shall, if so requested by FHI 360 and at its own expense, promptly make all necessary replacements. Vendor shall provide immediate notice to FHI 360 of any potential failure on the part of its suppliers to provide supplies/services required hereunder. Vendor is responsible for any deficiency on the part of its suppliers. VENDOR SHALL BE RESPONSIBLE FOR ANY COSTS OF REPROCUREMENT ADDITIONAL TO THE AGREED UPON PRICE HEREIN AS MAY BE NECESSARY FOR FHI 360 TO SECURE THE SUPPLIES/SERVICES AS A RESULT OF VENDOR'S INABILITY TO PERFORM. (d) Final inspection and acceptance by FHI 360 shall be conclusive except for latent defects, fraud, or such gross mistakes as amount to fraud or for any rights provided by any warranty of the product.

**6. Force Majeure.** The Vendor shall not be liable by reason of any failure in performance of this Agreement in accordance with its terms if such failure arises out of causes beyond the control and without the fault or negligence of Vendor. Such cases may include, but are not restricted to, acts of God, acts of government or municipal or other authorities, fires, floods, epidemics, quarantines, strikes, and labor disputes. Such causes do not include deficiencies on the part of its suppliers.

**7. General Warranty.** Vendor's warrants all supplies/services to be free from all materials defects and expressly represents that all such required supplies/services are capable of providing/performing the function service for which they were intended. Vendor agrees to pass on all manufacturer's warranties to FHI 360.

**8. Liens.** Vendor agrees to deliver/provide the products/services which are the subject-matter of this order to FHI 360 free and clear of all liens, claims, and encumbrances.

**9. Termination.** (a) This Order may be terminated upon default of either party in meeting its obligations hereunder. (b) This order may be terminated for convenience provided: (i) the FHI 360 provides ten days advance written notice to Vendor, (ii) Vendor shall be reimbursed all costs incurred to time of termination inclusive of any associated administrative costs, restocking charges, vendor cancellation charges and settlement costs, and (iii) mutual agreement of a complete and accurate termination settlement proposal by the Vendor. (c) This order may be terminated for constructive default in the event that the FHI 360 has reasonable cause to believe that the Vendor will not be able to complete the required supplies/services in accordance with the terms and conditions specified. In the event of failure of the Vendor to deliver/complete any part of this order, then FHI 360 shall, at its sole discretion, have the right to accept any delivered/completed part and unilaterally reduce the agreed upon price accordingly. (d) FHI 360 acceptance of partial deliveries shall not constitute a waiver of any of the Vendor's remaining obligations hereunder. (e) The preceding paragraph (d) shall not limit any legal rights of either party to cancel this order by reason of any default, and FHI 360 further reserves the right to cancel this order without further liability for articles not accepted by FHI 360 in the event Vendor commits an act of bankruptcy, files or has filed against the petition of bankruptcy or insolvency or suffers any receivership or other similar petition to be filed for or against it, or assignment.

**10. Computer Software Licenses.** Vendor agrees to specifically identify to FHI 360 any and all computer software licenses ("including shrink-wrap") as may convey to the FHI 360. The Vendor agrees that any and all computer software developed in the performance of this order using FHI 360 monies shall, unless otherwise agreed, become and remain the property of FHI 360.

**11. Work Product Presumptive FHI 360 Property.** All writings, books, articles, computer programs, databases, source and object codes, and other material of any nature whatsoever, including trademarks, trade names, and logos, that is subject to copyright protection and reduced to tangible form in whole or in part by Contractor in the course of Contractor’s service to FHI 360 shall be considered a work made for hire, or otherwise FHI 360 property. During this agreement and thereafter, Contractor agrees to take all actions and execute any documents that FHI 360 may consider necessary to obtain or maintain copyrights, whether during the application for copyright or during the conduct of an interference, infringement, litigation, or other matter (FHI 360 shall pay all related expenses). Contractor shall identify all materials in which Contractor intends to exempt from this provision prior to the use or development of such materials.

**12. Rights in Data.** The Vendor understands and agrees that FHI 360 may itself and permit others, including government agencies of the United States and other foreign governments, to reproduce any provided publications and materials through but not limited to the publication, broadcast, translation, creation of other versions, quotations there from, and otherwise utilize this work and material based on this work. During the agreement and thereafter, the Vendor agrees to take all actions and execute any documents that FHI 360 may consider necessary to obtain or maintain copyrights, whether during the application for copyright or during the conduct of an interference, infringement, litigation, or other matter (all related expenses to be borne by FHI 360). The Vendor shall identify all materials it intends to exempt from this provision prior to the use or development of such materials. The Vendor shall defend, indemnify, and hold harmless FHI 360 against all claims, suits, costs, damages, and expenses that FHI 360 may sustain by reason of any scandalous, libelous, or unlawful matter contained or alleged to be contained in the work, or any infringement or violation by the work of any copyright or property right; and until such claim or suit has been settled or withdrawn, FHI 360 may withhold any sums due the Vendor under this agreement.

**13. Indemnification.** The Vendor shall defend, indemnify, and hold harmless FHI 360 against all claims, suits, costs, damages, and expenses that FHI 360 may sustain by reason of Vendor’s negligent or unlawful actions resulting from Vendor’s performance under this agreement.

**14. Liquidated Damages**. If the Vendor fails to deliver the supplies or perform the services within the time specified in this agreement, FHI 360 may require that Vendor pay, in place of actual damages, liquidated damages in the amount of one percent (1%) of the agreement value for each day of delay. If FHI 360 terminates this agreement in whole or in part for default , as provided under section 9 above, Vendor is liable for liquidated damages accruing until such time that FHI 360 reasonably obtains delivery or performance from another vendor. These liquidated damages shall be in addition to any excess costs for re-purchase. Vendor will not be charged with liquidated damages when delay of delivery or performance is beyond the control and without the fault or negligence of the Vendor.

**15. Vendor Terms and Conditions.** The terms and conditions of this purchase order shall supercede any other terms and conditions except those expressly accepted by FHI 360.

**16. Gratuities**. This agreement shall be terminated for cause in accordance with section 9 above should it be determined by FHI 360 that Vendor offered or gave a gratuity (e.g. entertainment, gift, services or money) to any FHI 360 employee or other persons responsible for or connected to those responsible for the decision to award this agreement or the acceptance of performance under this agreement and that gratuity was intended to obtain this award or favorable treatment during performance of the award.

**17. Payment for Reimbursable Expenses.** Requests for payment for materials costs under Time and Materials agreementsmust be supported by receipts for all items invoiced.

**18. Debarment, Suspension, Ineligibility, and Voluntary Exclusion.** Vendor certifies by acceptance of this agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any U.S. Federal Government department of agency.

**19. Drug Trafficking.** FHI 360 and/or the US Government reserve the right to terminate this purchase order/subcontract to demand a refund or take other appropriate measures if the vendor is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

**20. Terrorism E.O. 13224.** Vendor agrees to take all necessary actions to comply with Executive Order No. 13224 on Terrorist Financing; blocking and prohibiting transactions with persons who commit, threaten to commit, or support terrorism. (E.O. 13224 text provided and also available at: <http://www.whitehouse.gov/news/releases/2001/09/20010924-1.html> Note: The attachment does not include the most current list after 23 September 2001; therefore, you are required to obtain updated information at the time of procurement of goods or services. The updated information is available at: <http://treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html> and hhtp://www.un.org/Docs/sc/committees/1267.

(FIELD PO UNDER COOPERATIVE AGREEMENTS/FHI 360 7-2011)

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