



2525 Phillips Field Road . Fairbanks, Alaska 99709 . (907) 452-7111 . FAX (907) 452-8111

STANDARD TERMS AND CONDITIONS (For Non-Professional Services)

1. INDEMNIFICATION: The Contractor shall indemnify, hold harmless, and defend the Interior Gas Utility (IGU) from and against any claim of, or liability for error, omission, or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the IGU. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the IGU, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "IGU", as used within this and the following article, include the employees, agents and other Contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the IGU's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

2. INSURANCE: The Contractor will provide a certificate of insurance in a form acceptable to IGU showing that they have the required insurance coverage. The required coverage must be obtained and maintained with an insurance company rated "Excellent" or "Superior" by A.M. Best Company, or specifically approved by IGU risk manager.

Limits: The Seller shall obtain insurance for not less than the following limits:

- Commercial general liability, occurrence basis: \$1,000,000 limit per occurrence;
- Comprehensive automobile liability: \$1,000,000 combined single limit;
- Workers' Compensation coverage including Employer's Liability with limits of: \$100,000 each accident, \$500,000 disease--policy limit, and \$100,000 disease--each employee.

Additional Insured: During the term of work, the seller shall add and maintain IGU as an additional insured in the seller's commercial general liability policy. This policy will provide primary coverage for IGU, and it will provide that the policy treats each additional insured as though the insurer had issued separate policies.

Cancellation: The insurer shall send IGU thirty (30) days written notice before it cancels, refuses to renew, or materially alters coverage required by this contract. The seller shall assure that the insurance policies include a provision requiring this prior notice.

3. BILLING INSTRUCTIONS: Unless stated elsewhere in the Purchase Order (PO) or Contract IGU will make payment after the services have been provided per the PO or Contract and an invoice has been received. Questions concerning payment must be addressed to the IGU contact person on PO or Contract.

4. PAYMENT: Payment will be made within 30 days of the receipt of a proper billing or the delivery of the services as specified in the agreement, whichever is later.

5. WARRANTY: The Contractor warrants that/those service(s) be supplied pursuant to this agreement will be performed in a workmanlike manner and conform to the standards required by solicitation.

6 SEVERABILITY: If any provision of this agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

7. COMPLIANCE: In the performance of an agreement that results from this RFQ, the Contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

8. ASSIGNMENT(S): Assignment of rights, duties, or payments are not permitted unless authorized in writing by the procurement officer of the IGU.

9. FORCE MAJEURE: (Impossibility to perform) The Contractor is not liable for the consequences of any failure to perform, or default in performing, any of its obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the Contractor. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or

restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

10. DISPUTES: Any dispute arising out of this agreement shall be resolved following IGU's procurement policies and the IGU procurement manual. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the Fourth Judicial District of Alaska in Fairbanks, Alaska.

11. DEFAULT: In case of default by the Contractor, for any reason whatsoever, the IGU may procure the services from another source and hold the vendor responsible for any resulting excess cost and may seek other remedies under law or equity.

12. TERMINATION: IGU may terminate the contract for its own convenience on thirty (30) days written notice. If this contract is terminated, the Contractor has no further duty to perform other than that work reasonably necessary to stop work in a safe and workmanlike manner. Likewise, if this contract is terminated, IGU has no further duty to pay the Contractor except for the work satisfactorily completed and accepted, as of the date of termination, and the additional work completed as being reasonably necessary to stop work in a safe and workmanlike manner.

13. CONTINUING OBLIGATION OF CONTRACTOR: Notwithstanding the expiration date of a contract resulting from this RFQ, the Contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

14. CONTRACT EXTENSION: Unless otherwise provided in this RFQ, IGU and the contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.