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STANDARD TERMS AND CONDITIONS (For Supplies)

- 1. INDEMNIFICATION:** The Seller 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 Seller under this agreement. The Seller 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 Seller and the independent negligence of the IGU, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Seller" and "IGU", as used within this and the following article, include the employees, agents and other Sellers 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 Seller and in approving or accepting the Seller's work.
- 3. BILLING INSTRUCTIONS:** Unless stated elsewhere in the Purchase order or Contract IGU will make payment after it receives the merchandise and the invoice. Questions concerning payment must be addressed to the IGU contact person on Purchase Order or Contract.
- 3. PAYMENT:** Payment will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later.
- 4. WARRANTY:** The Seller warrants that the goods to be supplied pursuant to this agreement are fit and sufficient for the purpose intended, the goods are merchantable, of good quality, and free from defects, whether patent or latent, in material or workmanship, and the goods conform to the standards required by solicitation. Unless otherwise specified, all materials, supplies or equipment offered by shall be new, unused, and of the latest edition, version, model, or crop and of recent manufacture.
- 5 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.
- 6. TITLE:** Title passes to IGU for each item at FOB destination.
- 7. COMPLIANCE:** In the performance of an agreement that results from this RFQ, the Seller 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 Seller 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 Seller. 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 Seller, for any reason whatsoever, the IGU may procure the goods or services from another source and hold the vendor responsible for any resulting excess cost and may seek other remedies under law or equity.
- 12. CONTINUING OBLIGATION OF SELLER:** Notwithstanding the expiration date of a contract resulting from this RFQ, the Seller is obligated to fulfill its responsibilities until warranty, guarantee, maintenance, and parts availability requirements have completely expired.