1.0 DEFINITIONS

1.1 “Agreement” means the PO, these terms, and any other mutually executed agreement between Vendor and RTI under which this PO is issued.
1.1 “Client” means the US government or another client of RTI.
1.2 “PO” means the purchase order issued by an authorized RTI representative.
1.3 “Prices” means the agreed upon payment and currency for the performance of Services or the supply of Products, including all applicable fees, payments and Taxes.
1.4 “Products” means products specified by RTI in the Agreement.
1.5 “RTI” means Research Triangle Institute, with its principal place of business at 3040 Cornwallis Road, Research Triangle Park, NC 27709 and its subsidiaries.
1.6 “Services” means services specified by RTI in the Agreement.
1.7 “Taxes” means any and all applicable taxes, charges, fees, levies or other assessments applicable to the performance of Services or the supply of Products hereunder.
1.8 “Terms” means the terms and conditions specified in the Agreement.
1.9 “Vendor” means a party receiving a PO from RTI which references the Terms.

2.0 SCOPE

2.1 Performance. Vendor shall perform Services and supply Products specified in the Agreement for the Prices set forth therein and pursuant to the delivery timeframes set forth by RTI. When specified by RTI, Vendor shall comply with the geographic code requirements as set forth by the Client. Vendor will ensure that it does not engage in any procurement activity from the following countries: Cuba, Laos, Iran, North Korea, and Syria. Vendor shall be responsible and accountable for all RTI or Client provided property and, where applicable, Vendor shall comply with the requirements of 48 C.F.R. 45.5 with respect to such property. Vendor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, RTI or Client property upon its delivery to Vendor employees. In the event of loss, damage or destruction of RTI or Client property by Vendor, RTI may initiate an equitable adjustment to the Prices in favor of RTI. RTI may direct changes to the Agreement in writing, and Vendor shall comply immediately with such direction. If RTI directed changes increase or decrease the cost or time required for Vendor to provide deliverables under the Agreement, the parties shall negotiate an equitable adjustment in the price or schedule, or both, to reflect the increase or decrease.

2.2 On Time Delivery. Time is of the essence in Vendor’s delivery of Products and performance of Services. Vendor will promptly notify RTI if it is unable to comply with the delivery or performance date specified in the Agreement. If Vendor fails to deliver or perform on time, and the parties are unable to mutually agree to an extension of time, Vendor will be liable for actual and reasonable costs and damages Buyer incurs as a result of the late delivery or performance.

2.3 Personnel. Where certain Vendor personnel are identified by RTI as “key personnel,” Vendor agrees that such key personnel’s involvement in the performance of Vendor’s responsibilities under the Agreement is essential to Vendor’s satisfaction of its responsibilities hereunder. Vendor will not replace key personnel without RTI’s prior written consent.

3.0 PAYMENT

3.1 Invoicing. Vendor certifies that each invoice issued by it shall be based solely on Services actually performed by Vendor ordered pursuant to a PO, and that 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). RTI shall make any payments due under this Subcontract within thirty (30) calendar days after its receipt of a proper invoice from Vendor provided such invoice from Vendor complies with all requirements, which may be amended from time to time after this Agreement’s execution, delineated at the following link: www.rti.org/files/invoice-payment.pdf. Vendor’s invoices shall state applicable Taxes owed by RTI, if any, by tax jurisdiction and with a proper breakdown between taxable and non-taxable Services. Vendor shall remit such tax payments to the appropriate jurisdiction. Vendor will indemnify RTI from any claims by any jurisdiction relating to Taxes paid by RTI to Vendor; and for any penalties, fines, additions to tax or interest thereon imposed as a result of Vendor’s failure to remit the Taxes in a timely manner to the appropriate taxing jurisdiction or for Vendor’s failure to invoice RTI for the correct amount of Taxes. Vendor will keep records to validate invoices hereunder for a period not less than five (5) years from the date of the relevant invoice. RTI reserves the right to audit all invoices, and Vendor shall afford reasonable access to all supporting documentation to enable RTI to do so.
3.2 Inspection and Reporting. RTI and Client have the right to inspect and evaluate the work performed or being performed under the Agreement, and 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 RTI or the Client performs inspection or evaluation on the premises of Vendor or its lower tier subcontractors, the Vendor shall furnish and require its subcontractors to furnish all reasonable facilities and assistance for the safe and convenient operation of these duties. 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 the Agreement. Vendor agrees that these records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized delegates of RTI. Vendor shall retain all such records concerning the Agreement for a period of three (3) years after the completion of the Agreement. If any litigation, claim or audit is started before the expiration date of this three-year period, Vendor will retain such records until all litigation, claims or audit findings involving the records have been resolved. Vendor shall submit annually an “Interim” and “Final” report (pursuant to timeframes specified by RTI and including Vendor name, contact information, PO number, amount of foreign taxes assessed for each foreign government, and amount of any foreign taxes reimbursed by each foreign government) on the amount of foreign taxes, as of the date of each report, charged by a foreign government on commodity purchase transactions valued at $500 (US Dollars) or more financed with U.S. Government funds under the PO during the prior U.S. Government fiscal year, and the amount reimbursed by the foreign government. Negative reports are required for each period.

4.0 WARRANTIES
Vendor warrants that Vendor and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded for the award of contracts by any Client. Vendor warrants that it is not aware of any facts or circumstances that might indicate the existence of or give rise to actual or potential organizational conflicts of interest, where due to such organizational conflict, Vendor is unable to render impartial assistance or advice. Vendor warrants that it has all the rights necessary to perform Services and supply Products under the Agreement and that it shall perform its responsibilities under the Agreement in a professional and highly skilled manner and to standards not less than those generally accepted in Vendor’s industry. Vendor warrants that Products and Services are merchantable, fit for use for the particular purpose specified by RTI, and comply with the warranties, specifications and requirements of the Agreement. Vendor warrants that Products supplied hereunder will remain fully functional and operational for at least twelve (12) months after delivery to RTI, and any longer periods pursuant to the manufacturer’s warranty period applicable to such Products.

5.0 INTELLECTUAL PROPERTY
Vendor grants RTI all rights and licenses necessary for RTI to use the Products or Services. The parties acknowledge and agree that all Services shall be deemed to be “works for hire”, with all intellectual property rights therein vesting in RTI, unless otherwise mutually agreed. Vendor agrees to irrevocably transfer and assign all such rights to RTI, and comply with all reasonable requests by RTI to affect such transfer and assignments.

6.0 COMPLIANCE
6.1 Laws. 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. The anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 (“FCPA”), 15 U.S.C. 78dd-2”, et seq., make it unlawful for U.S. concerns, as well as their officers, directors, employees, and agents, to corruptly offer or make a corrupt payment of money or anything of value to a foreign official for the purpose of obtaining or retaining business. Vendor acknowledges and understands that Vendor must comply fully with the anti-bribery provisions of the FCPA. Specifically, Vendor understands and agrees that it shall be unlawful for Vendor to pay, promise to pay (or authorize to pay or offer) money or anything of value to a foreign official in order to assist RTI in obtaining or retaining business for or with, or directing business to, RTI. A “foreign official” means any officer or employee of a foreign government, a public international organization, or any department or agency thereof, or any person acting in an official capacity. Vendor understands all applicable laws relating to kickbacks. Vendor agrees to periodically verify its compliance with such laws and to inform RTI immediately of any violations thereof. Vendor shall take affirmative action in compliance with all Federal and State requirements concerning fair employment, employment of the handicapped, employment of veterans, and concerning the treatment of all employees without regard to discrimination by reason of race,
EXCHANGE OF INFORMATION

7.0 EXCHANGE OF INFORMATION

7.1 Confidentiality. Confidential Information means any information made available to, disclosed to or otherwise made known to Vendor as a result of the services under the Agreement that (i) is marked as confidential or (ii) is designated as such at the time of disclosure, or (iii) that given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential. Confidential Information may be used by Vendor or its employees only for purposes of performing the obligations hereunder, and such persons shall be advised of the obligations set forth in this Agreement and shall agree to be obligated in like manner. Vendor shall not reveal, publish or otherwise disclose Confidential Information to any third party without the prior written consent of the disclosing party and shall use at least the same degree of care in safeguarding the Confidential Information as the party uses in safeguarding its own confidential information but in no event less than a reasonable standard of care.

7.2 Publicity. Notwithstanding the foregoing, Vendor shall not, without RTI’s prior written approval: (1) disclose or use, in any advertising, sales promotion materials, press releases, or any other publicity matters, the name “RTI International”, or any variation thereof or language from which the connection of said names may be implied, (2) disclose or advertise in any manner the nature of the Agreement or any of any of the transactions between the parties, or (3) disclose any business personal information relating to RTI employees for any purpose other than its responsibilities under the Agreement. The restrictions in this section 7.0 shall survive the termination or expiration of the Agreement.

8.0 INSURANCE

As a minimum, Vendor shall, at its sole cost and expense, provide and maintain the following insurance coverage and insurance coverage limits: (1) Worker’s Compensation: Vendor shall provide and maintain worker’s compensation insurance as required by the laws of the applicable jurisdiction, as well as employer’s liability

VENDOR, AS PROVIDER OF SERVICES TO RTI, AGREES TO COMPENSATION INSURANCE AS REQUIRED BY THE LAWS OF THE APPLICABLE JURISDICTION, AS WELL AS EMPLOYER’S LIABILITY

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coverage with minimum limits of $1,000,000 (or an equivalent value in the local currency), covering all of Vendor’s employees who are engaged in any work under the Agreement; and if any work is subcontracted, Vendor shall require the subcontractor to provide the same coverage for any of its employees engaged in any work under the Agreement. (2) Commercial General Liability: Vendor shall maintain general liability coverage on a comprehensive broad form on an occurrence basis in the minimum amount of $1,000,000 (or an equivalent value in the local currency) combined single limit (where the defense is in excess of the limit of liability); (3) Automobile: Vendor shall maintain automobile liability insurance to include liability coverage, covering all owned, hired and non-owned vehicles used in connection with the Agreement, and the minimum combined single limit shall be $1,000,000 (or an equivalent value in the local currency) bodily injury and property damage, including: (a) $500,000 (or an equivalent value in the local currency) uninsured/underinsured motorist; and (b) $5,000 (or an equivalent value in the local currency) medical payment. Providing and maintaining adequate insurance coverage is a material obligation of the Vendor under the Agreement. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage in accordance with the governing jurisdiction(s). Vendor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with applicable laws or the Agreement. The limits of coverage under each insurance policy maintained by Vendor shall not be interpreted as limiting the Vendor’s liability and obligations under the Agreement. In addition, Vendor represents and warrants that, it shall maintain insurance and limits as stipulated above and RTI shall be listed as an “additional insured” on the Vendor’s certificate of insurance. At RTI’s request, Vendor shall furnish RTI with a certificate of insurance depicting the insurance requirements set forth in this section. RTI reserves the right at any time to immediately terminate the Agreement, or any portion thereof, if in RTI's opinion such insurance coverage is inadequate.

9.0 LIABILITY
Vendor shall indemnify, defend and hold RTI and RTI’s Client free and harmless from any losses, damages, liabilities and costs (including, without limitation, legal fees and disbursements), which are attributable to any act or omission of Vendor and/or any of Vendor’s employees, subcontractors, or subcontractors' employees, and which are in any way connected with or related to the Agreement. To the extent permitted, in no event will RTI be liable to Vendor for incidental or consequential damages. Vendor is solely liable to third parties for all costs incurred by Vendor.

10.0 TERM AND TERMINATION

10.1 Term. The term of the PO shall commence on the date specified at the top of the PO and shall continue until such time Vendor completes all its responsibilities under the PO, unless sooner terminated as provided hereinafter. All obligations and liabilities which, by their nature, are intended to survive the expiration or the earlier termination of the PO shall remain in effect beyond any expiration or termination.

10.2 Termination for Convenience. Upon thirty (30) days written notice to Vendor, RTI may terminate this Agreement in whole or in part, whether or not Vendor is in default of any of its obligations hereunder. Upon such cancellation, Vendor agrees to waive any claim for damages, including loss of anticipated profits on account hereof. However, RTI agrees that Vendor shall be paid an amount which when added to all installments previously paid will equal the sum of all costs properly incurred up to the date of cancellation, plus earned profit on such incurred costs, and any reasonable cost incurred as a result of such cancellation as agreed to between RTI and Vendor. In no event shall such payments be greater than the original Prices. All earned profit shall bear the same relationship to such incurred costs as the profit increment of the purchase price bears to the cost increment of such purchase price.

10.3 Termination for Default. If either party shall be in default of the Agreement and such default shall continue for more than twenty (20) days after notice thereof is given to the party in default, the party not in default shall be entitled to immediately terminate the Agreement upon written notice. 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. The failure to object to an act of default shall not be deemed a waiver thereof.

10.4 Bankruptcy. If 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 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 Vendor or for any of Vendor’s assets, then RTI may, at its option, terminate, without charge, the Agreement or a portion thereof and shall thereupon be free from all liability under the Agreement. The ability of RTI to terminate in such instances shall be subject to the applicable bankruptcy and insolvency statutes.
10.5 Stop-Work Order. RTI may, by written order to Vendor, require Vendor to stop all, or any part, of the work called for by the Agreement. The order shall be specifically identified as a stop-work order. Upon receipt of the order, 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. At the expiration of the work stoppage period, RTI shall either terminate in accordance with the provisions of this Agreement or provide notice to Vendor to continue work. In the event notice is given to continue work, Vendor and RTI shall agree on any equitable adjustments to Prices or delivery schedules for Products or Services affected by the work stoppage.

11.0 GENERAL

11.1 Assignment and Subcontracts. Vendor shall not assign or subcontract any portion of its rights, duties, and/or obligations under the Agreement unless RTI, in its sole discretion, grants Vendor written permission to do so. Notwithstanding any such consent, Vendor shall continue to be fully responsible and liable for full performance of all obligations assumed by it hereunder.

11.2 Excusable Delays. Neither Party shall be in default because of any failure to perform under the terms of this Agreement if the failure arises from any incident or circumstance beyond the affected Party’s control and without the fault or negligence of the affected Party, such as but not limited to the following acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the affected Party. “Default” includes failure to make progress in the work so as to endanger performance. If any such case occurs, the Party claiming relief shall notify the other party in writing of the circumstances causing such delay or failure and provide an estimate of the impact on performance.

11.3 Relationship. Vendor acknowledges that the Agreement may have been issued by RTI under a contract with Client, but does not bind nor purport to bind the Client. In all respects and in the conduct of the work hereunder, Vendor is acting in the capacity of an independent contractor. The execution of the Agreement shall not (a) create the relationship of principal and agent, employer and employee, joint venture, or partnership between RTI and the Vendor; and (b) establish any privity of contract between the Vendor and Client. All communications regarding the Agreement must be directed to RTI and not to the Client. The Agreement and all notices, communications and submittals between the parties pursuant to the implementation of this Agreement shall be in the English language, unless otherwise directed in writing by RTI. All translation services, to include the physical presence of qualified translators, necessary for written or oral communications shall be provided by Vendor. Any dispute arising under this Agreement shall be settled by mutual agreement of the parties. If the parties cannot resolve the dispute amongst themselves within a reasonable time, the parties may, by mutual agreement, settle such dispute by arbitration in accordance with the Rules of the American Arbitration Association in the City of Raleigh, North Carolina, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. Pending completion of the Agreement or final resolution of a dispute which releases Vendor from performance hereunder, the Vendor shall, at all times, proceed diligently with the performance of the Agreement.

11.4 Interpretation. The Agreement and these Terms shall be construed and interpreted in accordance with the laws of the State of North Carolina. If any Term herein is found to be unenforceable in any respect, the validity of the remaining Terms will be unaffected, provided that such unenforceability does not materially affect the parties’ rights under Agreement. 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. The Agreement and any documents incorporated specifically by reference including the Terms represent the entire agreement between the parties and supersede all prior oral or written statements or agreement. The Terms may be amended only by written amendments duly executed by RTI and Vendor. The Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns.

11.5 Order of Precedence. In the event of a conflict of terms in this Agreement, the order of precedence shall be as follows: (i) text on the face of the PO; (ii) terms set forth in a signed statement of work or task order; (iii) terms set forth in a signed document under which this PO was issued; (iv) the terms in this document; (v) Vendor’s proposal, if incorporated in the purchase order by reference or otherwise.