

## PURCHASE CONTRACT

Contract No. \_\_\_\_\_

Mercy Corps (“MC” or “Mercy Corps”) / Jordan a Foreign Association Branch duly registered under No. 2006011100010 at the Associations’ Registrar / Ministry of Social Development, having a principle address of business at Building No. 8, Tabasheer 3 Street, 7th Circle, Amman, Jordan, represented for the purposes of this Agreement by Kari Diener, Country Director (hereinafter referred to as “Mercy Corps” or “First Party”) and \_\_\_\_\_ (“Supplier” or “Second Party”) is as follows:

- 1. Defined Terms.** Each of the following terms has the meaning given to such term on Schedule I attached hereto: Authorized Representative, Contract Number, Delivery Date, Delivery Location, Delivery Terms, Donor Terms, Goods, Packing Requirements, Pricing, and Specifications. Other terms are defined as specified throughout this Contract.
- 2. Purchase and Sale of Goods.** Supplier will sell to Mercy Corps, and Mercy Corps will purchase and pay for, the Goods in accordance with the terms and conditions set forth in this Contract.
- 3. Specifications.** The Goods must strictly comply with or exceed the Specifications listed in Schedule II. No deviation, substitution or change is permitted without Mercy Corps’ prior written consent.
- 4. Purchase Order Amendments.** Mercy Corps may suspend Supplier's performance, increase or decrease the ordered quantities, or make changes for Mercy Corps’ reasonable business needs by written notice to Supplier (each, a “**Purchase Order Amendment**”). Unless mutually agreed, a Purchase Order Amendment does not apply to change the Goods timely and fully delivered and accepted before the date of the Purchase Order Amendment. If any change causes an increase or decrease in the cost of, or the time required for, Supplier's performance, an equitable adjustment may be made in the price or delivery schedule or both, if such adjustment is set forth in a Purchase Order Amendment signed by the Authorized Representative.
- 5. Non-Exclusivity.** This Contract is not intended to create an exclusive relationship between the parties.
- 6. Inspection, Acceptance and Rejection.**
  - a. All Goods will be subject to Mercy Corps' inspection and testing (which may be done by a third party authorized by Mercy Corps), at any time and place, including the period of manufacture/production/creation and before final acceptance. If Mercy Corps inspects or tests at Supplier's premises, Supplier, without additional charge, will provide all reasonable facilities and assistance for the safety and convenience of Mercy Corps' inspectors. No inspection or testing done or not done before final inspection and acceptance will relieve Supplier from responsibility for defects or for other failure to meet the requirements of this Contract. Notwithstanding any prior inspections or payments made, all Goods will be subject to final inspection and acceptance at the Delivery Location within a reasonable time after delivery (but in no event, less than three days after the date of delivery).



- b. Acceptance will occur only when the Authorized Representative delivers written, signed notice of acceptance to Supplier in the form of a goods received notice (“GRN”) and such notice has been signed by Supplier’s representative. The GRN must include: (1) the GRN number and the packing slip number; (2) the Contract number; (3) a description of the Goods; (4) the quantity delivered; (5) final inspection date and location; (6) quantity accepted; and (7) quantity rejected or over-shipped.
- c. If any delivery, documentation or the Goods delivered do not comply with all of the terms and conditions of this Contract, Mercy Corps may do one or more of the following: (1) reject such nonconforming Goods, accept conforming Goods and reduce the purchase price by such amount as Mercy Corps determines in good faith reflects the value to Mercy Corps of the accepted Goods, (2) accept such nonconforming Goods and reduce the purchase price by such amount as Mercy Corps determines in good faith reflects the reduced value to Mercy Corps of such nonconforming Goods; (3) reject all Goods; and/or (4) terminate this Contract without any further obligation on Mercy Corps’ part.
- d. If any Goods are finally accepted, Mercy Corps will only pay for the quantity accepted up to the quantity specified in this Contract. Mercy Corps will in no event pay for quantity above the amount provided for in this Contract or accepted. Mercy Corps or its agent will hold over-shipments and non-conforming shipments at Supplier's risk and expense for a reasonable time awaiting Supplier's instructions. Supplier will bear the expense of return charges, storage charges and other expenses for over-shipped quantities and Goods not accepted.

**7. Packing.** All Goods will be prepared for shipping and delivery and will be shipped in accordance with the Packing Requirements listed in Schedule I. Price based on weight will include net weight only. Supplier will not charge Mercy Corps for packaging or pre-shipment costs, such as boxing, crating, handling damage, drayage, or storage. Supplier will mark all containers with necessary handling and shipping information, Contract Number, date of shipment, and names of the consignee and consignor. A packing list, and other documentation required for domestic or international transit, regulatory clearance or identification of the Goods will accompany each shipment.

**8. Transportation, Shipment and Delivery.** Shipment/transportation will be in accordance with the Delivery Terms, Delivery Date, and Delivery Location in Schedule I. Mercy Corps will not be charged for shipping, delivery, loading or unloading costs unless otherwise specified in the Delivery Terms.

**9. Risk of Loss.** Supplier will bear all risk of loss, damage, or destruction to the Goods, in whole or in part, occurring before final acceptance by Mercy Corps at the Delivery Location; provided, Mercy Corps is responsible for any loss caused by its gross negligence.

**10. Taxes, Duties and Expenses.**

- a. All taxes, duties and other governmental charges with respect to the manufacture/production/creation of the Goods and the delivery of the Goods to Mercy Corps in accordance with this Contract will be the liability of, and borne solely by, Supplier. If the law requires Mercy Corps to withhold taxes from payments to Supplier, Mercy Corps may withhold those taxes and pay them to the appropriate taxing authority. Mercy Corps will deliver to Supplier an official notice for such taxes. Mercy Corps will use reasonable efforts to minimize any taxes withheld to the extent allowed by law.

- b. Supplier is responsible for all expenses incurred by it in performing under this Contract.

## **11. Invoicing and Payment.**

- a. Mercy Corps will have no obligation to make any payment to Supplier with respect to the Goods until final acceptance in accordance with Section 6(b) and delivery of an invoice that fully complies with the requirements specified in this Contract. Invoices may only be submitted after Supplier receives a GRN. Invoices must be submitted within 60 days of Supplier's acceptance of a GRN. Mercy Corps will have no obligation to pay an invoice submitted after 60 days or to pay an invoice amount that Mercy Corps disputes in a written notice to Supplier. Each invoice must contain or attach the following: (1) a copy of the signed GRN; (2) Supplier's name and address; (3) description of the Goods delivered, delivery date, quantity, unit price and total price to be paid; (4) all information necessary for Mercy Corps to implement payment (e.g., name of representative to address payment to, address, bank account information as applicable for the method of payment); (5) the Contract Number; (6) packing slip number; (7) taxes and duties (only if payable by Mercy Corps per the terms of this Contract); (8) Delivery Location and Delivery Date; and (9) any other information reasonably required by Mercy Corps. Invoices will only be deemed received on the date they are delivered to the Authorized Representative and in full compliance with the requirements herein.
- b. Mercy Corps will make payment within 30 days of receipt of Supplier's fully conforming invoice. Payment of an invoice will not constitute acceptance of Goods, and is subject to adjustment for errors, shortages, defects or other failure of Supplier to meet the requirements of this Contract. Mercy Corps may set-off amounts owed to Mercy Corps against an amount Mercy Corps owes to Supplier or Supplier's affiliated companies, and Mercy Corps will provide notice to Supplier within a reasonable time after the setoff.

## **12. Representations, Warranties and Additional Covenants.** Supplier represents and warrants to Mercy Corps and covenants with Mercy Corps as follows.

- a. Supplier has full rights and authority to enter into and perform its obligations under this Contract. Supplier's performance will not violate any agreement or obligation between Supplier and any third party.
- b. The Goods and all documentation required will meet each of the standards and specifications set forth in this Contract. The Goods are merchantable and fit for their intended purpose, comply with all applicable law and are free from all defects in material and workmanship.
- c. Supplier will deliver good and marketable title to the Goods free and clear of all liens, claims, encumbrances and interests of any other person, entity or government. The Goods will not infringe on any patent, copyright, trademark, trade secret or other proprietary right of any third party.
- d. Supplier will comply with all applicable law, regulations and rules in the performance of its obligations under this Contract.
- e. Supplier has not, and will not, engage in transactions with, or provide resources or support to, individuals and organizations associated with terrorism, including those individuals or entities that appear on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Treasury (<http://www.treasury.gov/resource-center/sanctions/SDN->

List/Pages/default.aspx) or the United Nations Security designation list ([http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml)).

- f. Supplier will comply with and train its employees in all applicable laws against bribery, corruption, inaccurate books and records, inadequate internal controls and money-laundering, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act. Supplier has not and will not offer or give any employee, agent, or representative of Mercy Corps anything of value to secure any business from Mercy Corps or influence such person to alter the terms, conditions, or performance of any contract with or purchase order from Mercy Corps, including but not limited to this Contract.
- g. **Supplier does not own, directly or indirectly, any other company that was competing for award of this Contract.** Supplier did not seek or obtain confidential information related to the award of this Contract from any Mercy Corps employee, agent or representative. Supplier did not collude or conspire with any other individual or entity to limit competition for the award of this Contract, to set prices being offered or in any other way to interfere with free and open competition.
- h. Supplier is not owned in whole or in part, directly or indirectly, by any immediate or extended family member of any Mercy Corps employee, agent or representative, or, if so owned, Supplier fully disclosed such relationship and any potential conflict of interest has been waived by Mercy Corps.
- i. Supplier has not engaged in, and will not engage in, any of the following conduct: (A) trafficking in persons (as defined in the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime); (B) procuring a commercial sex act; or (C) using forced labor.
- j. Supplier is not the subject or any governmental or donor investigation and has not been debarred or suspended by any government, governmental agency or donor.
- k. **Independent Contractor.** The parties intend to be independent contractors. Supplier will be solely responsible for and have control over the means, methods, techniques, personnel and procedures for supplying goods. Neither party will be deemed an agent or partner of the other party.

**13. Confidentiality.** Supplier will maintain the confidentiality of: (i) any information Mercy Corps provides to Supplier that Mercy Corps identifies as confidential; (ii) the terms and conditions of this Contract; and (iii) nonpublic information regarding Mercy Corps' policies and practices. Upon Mercy Corps' request, Supplier will return to Mercy Corps all confidential information provided by Mercy Corps to Supplier. This confidentiality obligation will survive final acceptance of the Goods, payment of the purchase price and termination of this Contract.

**14. Indemnification.** Supplier will indemnify Mercy Corps and each of its officers, directors, employees, representatives and agents (each, an "**Indemnitee**"), and hold them harmless from, any and all losses, claims, damages, liabilities, any government or donor investigations, fines or penalties and related expenses (including incidental and consequential damages and reasonable attorneys' fees, whether incurred at the investigative, trial or appellate level or otherwise) incurred by any Indemnitee or asserted against any Indemnitee by any third party or by Supplier arising out of, in connection with, or as a result of this Contract, any failure by Supplier to fully perform its obligations under this

Contract or any breach by Supplier of any of its representations and warranties under this Contract, provided that such indemnity will not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses resulted from the gross negligence or willful misconduct of such Indemnitee. This indemnity obligation will survive final acceptance of the Goods, payment of the purchase price and termination of this Contract.

**15. Termination and Remedies.** This Contract may be terminated under the following circumstances:

- a. by both Parties on mutual written agreement of the Parties;
- b. by Mercy Corps immediately upon written notice in the event Mercy Corps' donor(s) terminates or withdraws funding that Mercy Corps would use to pay Contractor under this Contract;
- c. by either Party due to the non-terminating Party's breach of this Contract and failure to correct such breach within 15 days prior notice of such breach;
- d. be either Party upon written notice if a force majeure event, including any not reasonably foreseeable war, insurrection, change in law or government action or inaction, strike, natural disaster or similar event, prevents the terminating Party from being able to fulfill its obligations under this Contract; or
- e. by Mercy Corps immediately upon written notice if Mercy Corps using its sole discretion determines that Contractor has or will breach any of its warranties, covenants or representations in this Contract, in which case Mercy Corps may withhold any and all amounts owed to Contractor until such breach is remedied.

In the event termination is due to Mercy Corps' breach of this Contract, by Mercy Corps for Mercy Corps convenience, due to force majeure event, or due to loss of funding, Mercy Corps shall be obligated to pay Contractor for its reasonable, pro-rated costs of work completed and expenses properly incurred prior to termination.

If Mercy Corps determines that Supplier has or will breach any of its warranties, covenants or representations in this Contract, Mercy Corps may, in addition to any other remedies for such breach available at law or in equity, (i) terminate this Contract; (ii) reject any Goods delivered; (iii) return any Goods already accepted and obtain full repayment for any amount paid for such Goods; (iv) if Supplier breaches Section 10(j), withhold payment until such investigation, suspension or debarment is lifted; and (v) if Supplier breaches any of Section 10(e), (f), (g), (h) or (i), not pay for any Goods that have been accepted but that have been consumed or otherwise cannot be returned to Supplier and report the breach to Mercy Corps donors and appropriate governmental authorities.

**16. Dispute Resolution.** Any unresolved dispute or claims will be settled by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators will be one. The place of arbitration will be Kingdom of Jordan. The language of the arbitration will be English.

**17. Penalties:** If the Contractor does not honor the contracted deadline for completion of all works or delivery of goods/services and their installation, Contractor may pay to Mercy Corps penalty equal to 0.5% of the total maximum value of the Contract, for each Day of delay calculated starting on the Completion Date until Substantial completion. Penalty amount will be withheld (offset) from any

payment due to Contractor. The total penalties will not exceed 15% of the actual contract value. Any such penalties will be imposed as exercisable at Mercy Corps' discretion and may be waived off by Mercy Corps, if a valid justification/reasons are provided in writing which were beyond control of the vendor and such justification/reasons are accepted/approved by Mercy Corps in writing.

**18. Access to Books and Records.** Mercy Corps, its donors (including, if applicable, USAID, and the Comptroller General of the United States) and any of their respective representatives will have access to any books, documents, papers and records of Supplier that are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions or a period of seven years following the completion of the Contract.

**19. Additional Donor Terms and Conditions.** The Donor Terms (if any) are incorporated in this Contract by reference and are fully binding on Supplier and Mercy Corps. In the event of a conflict between the Donor Terms and this Contract or any other document between Supplier and Mercy Corps, the Donor Terms will prevail.

**20. Miscellaneous.**

- a. This Contract and the rights and obligations of the parties hereto will be governed by and construed in accordance with the laws of the Kingdom of Jordan (exclusive of the United Nations Convention on Contracts for the International Sale of Goods), without regard to the conflict of laws provisions thereof.
- b. No right or obligation under this Contract (including the right to receive monies due) will be assigned without the prior written consent of Mercy Corps. Any assignment without such consent will be void. Mercy Corps may assign its rights under this Contract.
- c. All notices provided for herein will be in writing and will be delivered by hand or overnight courier service, email or fax in accordance with each party's contact information set forth on Schedule I. Notices will be deemed to have been given when received, provided that notices sent by email or fax will be deemed received when sent (except that, if not sent during normal business hours for the recipient, will be deemed received at the opening of business on the next business day for the recipient).
- d. Time is of the essence of each and every obligation of Supplier under this Contract.
- e. If any provision of this Contract is prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of this Contract.
- f. Except as otherwise provided above, this Contract may be amended or modified only by a written document signed by both parties. This Contract constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous Contracts and understandings, oral or written, relating to the subject matter hereof.



IN WITNESS WHEREOF, this Purchase Contract has been duly executed as of the date first written above.

**MERCY CORPS**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SUPPLIER**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**MERCY CORPS FINANCE REVIEW**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## SCHEDULE I

### Additional Terms

1. **Goods:** *[category]* medical equipment for different Health Centers across Jordan (the “Goods”). All Goods must precisely comply with the specifications attached hereto as Schedule II (the “Specifications”).
2. **Quantity:** as specified in Schedule II.
3. **Packing Requirements:** all equipment must be packaged in a way that guarantees receiving them at their final location without any defects (the “Packing Requirements”).
4. **Delivery Location:** as specified in Schedule II (the “Delivery Location”). Please refer to the Special Conditions in Schedule IV for more details.
5. **Delivery Date:** within 3 months of the date of signing the contract by both parties. The delivery due date for each item is as detailed in Schedule II (the “Delivery Date”).
6. **Transportation and Unloading Terms:** all prices include transportation and unloading costs.
7. **Pricing:** as specified in Schedule II. All prices include tax, custom clearance fees, delivery, installation, commissioning, application training for operators, and 2-year free warranty including spare parts.
8. **Spare Parts and Warranty:** Please refer to the Special Conditions in Schedule IV. Spare part lists are attached in Annex I. Prices in these lists are valid and fixed for 8 years beyond the free warranty period.
9. **Additional Payment Terms (if any):**
  - Advance payment: *[shall be made upon the request of the supplier with a maximum of 25% of the total contract value]*. This payment shall be made upon the submission of the supplier’s financial claim, an advance payment bond (as described in the term below) and a performance bond.
  - *[Partial payments are allowed in case partial delivery is made]*.
  - Final payment: will be released upon the submission of the supplier’s financial claim and a warranty bond as described below.
10. **Bonding Requirements:**
  - Advance Payment Bond: shall be submitted upon signing the contract with the same advance payment value. This bond must be valid until the end date of this contract, and addressed to Mercy Corps.
  - Performance Bond: shall be submitted upon signing the contract with a value equal to **10%** of the total contract value. This bond must be valid up to (at least) 3 months after the contract end date, and addressed to Mercy Corps. The release of performance bond is subject to receiving final completion report from MOH.





- Warranty Bond: shall be submitted along with the invoice for the final payment, with a value equal to 10% of the total contract value. This bond must be valid for 2 years after the date of the final delivery and acceptance by Mercy Corps and MOH. This bond must be addressed to Ministry of Health.

**11. Authorized Representatives and Contact Information:**

**a. Mercy Corps:**

- Only the following Mercy Corps employees are authorized to agree to any amendment of this Contract and any Change Order:

Kari Diener- Country Director

- Only the following Mercy Corps employees are authorized to accept or reject Goods or sign on any GRN **(in addition to a representative from MOH):**

Shorouq Abu Razzouq- Program Infrastructure Coordinator  
 Email: [saburazzouq@mercycorps.org](mailto:saburazzouq@mercycorps.org)  
 Mobile: 0778498278

Or

Zaid Hatokay- Senior Program Manager  
 Email: [zhatokay@mercycorps.org](mailto:zhatokay@mercycorps.org)  
 Mobile: 0776668920

**b. Supplier:** Supplier’s authorized representative for all purposes is:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Email: \_\_\_\_\_

**12. Donor Terms:** *[The terms and conditions attached hereto as Schedule III (the “Donor Terms”).]*

**SCHEDULE II**

**Description of the Goods and Specifications**

No.	Item Description	Quantity	Unit Price (tax inclusive)	Total Price (tax inclusive)	Delivery Location	Installation, commissioning and training needed?	Annual maintenance needed (after the free 2-year warranty)?	Delivery Due Date

### SCHEDULE III Donor Terms

Mercy Corps, in accordance with donor regulations, requires certain certifications and provisions, set forth herein, to be included in all contracts.

#### **Liability/Indemnity**

The **Vendor** acknowledges that DFID will not be held responsible for or in relation to the activities of the **Vendor** under this Contract.

#### **Right of Access/ Audit**

The **Vendor** shall permit Mercy Corps, its donor, DFID (UK), and/or the UK's National Audit Office and/or any of their duly authorized representatives, access to project sites and relevant records, including books, documents, papers (including in electronic format) for the purpose of monitoring, evaluation and audit. Such verification or audit may take place at any time during this Contract and up to seven years after final payment made under this Contract.

#### **Anti-Corruption and Anti-Bribery**

The parties recognize that Mercy Corps has a zero tolerance approach to bribery and corruption. The **Vendor** will comply with all relevant anti-bribery and anti-corruption laws (including the UK Bribery Act 2010) and comply with the principles of Mercy Corps' Anti-Corruption and Anti-Bribery Policies, or equivalent policies, including: (a) not accepting or offering a bribe of facilitation payment; and (b) reporting immediately to Mercy Corps any bribery issues which the **Vendor** becomes aware of during this Contract; and, at the reasonable request of Mercy Corps, confirming in writing that they have complied with this clause and provide any information reasonably requested in support of such compliance. MC recognizes that in complying with this clause, the **Vendor** is not expected to risk life, limb or freedom.

#### **Cancelation of the Contract**

If any illegal or corrupt practices were or are committed in the award or execution of this Contract, including if any offer, gift, payment, contribution or benefit of any kind was accepted as an inducement or reward for the award or execution of this Contract, this Contract will be cancelled with immediate effect, in which case Mercy Corps will return to the **Vendor** any items delivered and the **Vendor** will return to Mercy Corps any funds paid (at each of their own cost, unless otherwise agreed).

#### **Confidentiality**

The **Vendor** acknowledges that Mercy Corps has reporting obligations to DFID. Accordingly, the **Vendor** consents to Mercy Corps sharing information about the Vendor or the Services with DFID as required.

### **Principal of Ethical Procurement**

The **Vendor** acknowledges that Mercy Corps must comply with DFID's principle of Ethical Procurement including adhering to the minimum ethical standards of the avoidance of child labour, and the respect of basic social rights and working conditions based on international labour standards.

### **Child Protection**

The **Vendor** acknowledges that, under the Donor Contract, the recipients of funds are required to have a robust child protection policy and mechanisms to monitor its adherence and that it is important that a focus on child protection is maintained throughout the lifecycle of the Project. The Donor reserves the right to ask for the relevant child protection policy and mechanisms and test that they are implemented during the life of the Project.

**SCHEDULE IV**

Special Terms & Conditions

[as included in the tender documents for each lot]

**ANNEX I- Spare Parts Lists**