GENERAL CONDITIONS OF CONTRACT FOR THE PROCUREMENT OF GOODS

1. EFFECTIVE DATE
This Purchase Order shall be effective when signed by the Parties. The Purchase Order constitutes a contract between the Parties, the rights and obligations of which shall be governed solely by the terms and conditions of the Purchase Order, including these General Conditions (the "Contract").

2. LEGAL STATUS
The Supplier shall at all times be deemed an independent contractor of UNRWA for purposes of this Contract.

3. SOURCE OF INSTRUCTIONS
The Supplier shall neither seek nor accept instructions from any authority external to UNRWA in connection with the performance of this Contract. The Supplier shall refrain from any action that may adversely affect, and shall fulfill its commitments with fullest regard to the interests of, UNRWA.

4. BANK GUARANTEE
If specifically requested by UNRWA prior to the signature of this Contract, the Supplier shall provide a banker’s guarantee on a bank acceptable to UNRWA in the form, amount and manner prescribed by UNRWA.

5. SUPPLIER’S EMPLOYEES
The Supplier’s personnel, sub-contractors and other persons providing services in connection with the obligations of the Supplier under this Contract shall in no respect be considered employees or agents of UNRWA.

6. ASSIGNMENT
The Supplier shall not, without the prior written consent of UNRWA, assign, transfer, pledge, sub-contract or make any disposition of this Contract or any part thereof, or any of the Supplier’s rights, claims or obligations under this Contract.

7. EXPORT LICENCES
Notwithstanding any INCOTERM 2000 used in the Purchase Order, the Supplier shall obtain all export licenses required for the goods.

8. SHIPMENT AND DELIVERY
8.1 The Supplier warrants that the goods are securely packaged and marked, taking into account the mode(s) of shipment, in a manner as to protect the goods during delivery to their ultimate destination. Containers and packages shall be new, sound and adequate strength, and the Supplier shall be responsible for all damage or loss resulting from faulty or inadequate packing.

8.2 All goods subjected to this Contract shall be delivered or shipped, as the case may be, at the Supplier’s risk (including risk of loss, damage to or destruction of the goods until physical delivery of the goods has been completed in accordance with this contract), to the place or places and within the time limits specified in the Purchase Order.

8.3 The Supplier shall take all reasonable steps to provide UNRWA with an original Bill of Lading before the actual arrival of the goods at the place of destination and, in the event that UNRWA takes delivery of the goods before arrival of the Bill of Lading, the Supplier shall hold UNRWA harmless from all claims that may be made upon UNRWA under such Bill of Lading.

9. LATE DELIVERY
Without limiting any other rights or obligations of the Parties hereunder, if the Supplier will be unable to deliver the goods by the delivery date(s) stipulated in the Purchase Order, the Supplier shall (i) immediately consult with UNRWA to determine the most expeditious means for delivering the goods and (ii) use an expedited means of delivery at the Supplier’s cost (unless the delay is due to Force Majeure, as defined herein), if requested by UNRWA.

10. INSPECTION
UNRWA and its nominees may inspect the goods during manufacture, at the Supplier’s premises in the ports or places of shipment or arrival and in UNRWA installations, and after the delivery of the goods. The Supplier shall provide all facilities for such inspection. UNRWA may issue a written waiver of inspection at its discretion. Any inspection carried out by the representatives of UNRWA or any waiver thereof shall not prejudice the implementation of other relevant provisions of this contract concerning obligations subscribed by the Supplier.

11. REJECTION
11.1 In addition to any other remedies available hereunder, UNRWA may reject all goods that do not conform to the terms and conditions of the Contract, including but not limited to the specifications and with respect to packaging, or, if applicable, samples provided by or on behalf of the Supplier.

11.2 Goods in UNRWA’s possession that have been rejected by the UNRWA must be removed at the Supplier’s expense within such period as UNRWA may specify in its notice of rejection. Upon such notice to the Supplier, the goods or any part thereof will be held at the latter’s risk and expense including, if necessary, the cost of their transfer to and storage at a commercial or bonded warehouse, and no liability shall attach to UNRWA for any loss or damage therefrom. The payment of any customs duties which may be required on rejected goods that were imported duty free shall be the Supplier’s responsibility. Should the Supplier fail to remove the goods as required by the notice of rejection, UNRWA may dispose of them, without any liability to the Supplier whatsoever, in such manner as it deems fit.

12. WARRANTIES
12.1 The Supplier warrants that the goods, including packaging, conform to the specifications for the goods ordered under this Purchase Order, are fit for the purposes for which such goods are intended and are free from defects in workmanship and materials. All such warranties shall remain in force for a period as stated on the front of the Purchase Order or otherwise for a period of minimum one year after receipt of the goods by UNRWA (the "Warranty Period"). In addition, the Supplier shall provide or assign to UNRWA all manufacturers’ warranties relating to the goods.

12.2 If, during the Warranty Period, the Goods or any part thereof purchased under this Contract are found by UNRWA to be defective or not to conform with the Contract Documents, upon written notification to the Supplier by UNRWA, the Supplier shall, promptly and at its own expense correct all such defects and non-conformities. If the defects and non-conformities cannot be corrected, the Supplier shall, at the choice of UNRWA, either replace the defective Goods or promptly reimburse UNRWA.

13. TITLE TO EQUIPMENT
All right, title and interest in the goods subject to the Purchase Order shall, upon payment, vest exclusively in UNRWA, and the Supplier shall take all such action as may be necessary to vest the same exclusively in UNRWA, free and clear of all liens, claims and encumbrances of any kind.

14. PROPRIETARY RIGHTS
14.1 UNRWA shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or
documents and other materials which bear a direct relation to
or are produced or prepared or collected in consequence of or
in the course of the execution of this Contract. At UNRWA’s
request, the Supplier shall take all necessary steps, execute
all necessary documents and generally assist in securing
such proprietary rights and transferring them to UNRWA in
compliance with the requirements of the applicable law.

14.2 The Supplier warrants that the use or supply by
UNRWA of the goods sold under the Purchase Order does
not infringe any intellectual property and other proprietary
right of any third party. The Supplier shall, at its sole
expense, defend, indemnify and hold harmless UNRWA, its
officials, agents, servants and employees, from and against
all suits, claims, demands and liability of any kind, including
costs and expenses, arising out of any infringement thereof.
The obligations under this Article do not lapse upon
termination of this Contract.

15. USE OF UN OR UNRWA NAME OR EMBLEM
The Supplier shall not advertise or otherwise make public the
fact that it is a Supplier with UNRWA, nor shall the Supplier, in
any manner whatsoever use the name, emblem or official seal of
UNRWA or the United Nations, or any abbreviation of the
name of UNRWA or the United Nations in connection with its
business or otherwise.

16. CONFIDENTIALITY
16.1 All maps, drawings, photographs, mosaics, plans,
reports, recommendations, estimates, documents and all
other data compiled by or received by the Supplier under this
Contract shall be the property of UNRWA, shall be treated as
confidential and shall be delivered only to UNRWA authorized
officials on completion of work under this Contract.

16.2 The Supplier shall not communicate at any time to any
other person, Government or authority external to UNRWA,
any information known to it by reason of its association with
UNRWA which has not been made public except with the
authorization of UNRWA; nor shall the Supplier at any time
use such information to private advantage. These obligations
do not lapse upon termination of this Contract.

17. ADDITIONAL WARRANTIES
The Supplier shall comply with all laws, ordinances, rules, and
regulations bearing upon the performance of its obligations
under the terms of this Contract. In addition, the Supplier
represents and warrants that:

17.1 Neither it nor any of its suppliers is engaged in any
transactions with, and/or the provision of resources and
support to, individuals and organizations associated with,
recruiting and/or training for, or engaged in, any act or
offense described in Article 2, Sections 1, 3, 4 or 5 of the
International Convention for the Suppression of the Financing
of Terrorism, adopted by the General Assembly of the United

17.2 Neither it, nor any of its suppliers is engaged in any
practice inconsistent with the rights set forth in the Convention
on the Rights of the Child, including Article 32 thereof, which
requires that a child shall be protected from performing any
work that is likely to be hazardous or interfere with the child’s
education, or to be harmful to the child’s health or physical,
mental, spiritual, moral or social development.

17.3 Neither it nor any of its suppliers is engaged in the
design, development, assembly, production, trade or manufacture
of mines or in such activities in respect of components
primarily utilized in the manufacture of mines. “Mines” means
those devices defined in Article 2, paragraphs 1.4 and 5 of
Protocol II annexed to the Convention on Prohibitions and
Restricions of the Use of Certain Conventional Weapons
Which May Be Deemed to Be Excessively Injurious or to
Have Indiscriminate Effects of 1980.

17.4 No official of UNRWA has received from or will be
offered by the Supplier any direct or indirect benefit arising
from this Contract or the award thereof.

17.5 Any breach of any of the representations and
warranties contained in this Article 17 shall entitle UNRWA to
terminate this Contract, at no cost to UNRWA, immediately
upon notice to the Supplier.

18. PAYMENT
18.1 UNRWA shall, on fulfillment of the delivery terms,
unless otherwise provided in the Purchase Order, make
payment within 45 days of receipt of the Supplier’s invoice in
the English language for the goods and the Shipping
Documents as specified in the Purchase Order.

18.2 Payment against invoice referred to above will reflect
any discount shown under the payment terms of the Purchase
Order, provided payment is made within the period required
by such payment terms. Time in connection with any cash
discount offered will be computed from the date of receipt by
the UNRWA’s Procurement and Logistics Office of full
documentation as specified in the Purchase Order.

18.3 Unless otherwise authorized by UNRWA, the Supplier
shall submit one invoice in respect of the Purchase Order,
and such invoice shall indicate the Purchase Order number
and the Supplier’s detailed payment instructions.

19. TAX EXEMPTION
19.1 Section 7 of the Convention on the Privileges and
Immunities of the United Nations provides, inter alia, that the
United Nations, including its subsidiary organs (including
UNRWA), is exempt from all direct taxes, except charges for
public utility services, and is exempt from customs duties and
charges of a similar nature in respect of articles imported or
exported for its official use. In the event any governmental
authority refuses to recognize UNRWA’s exemption from such
taxes, duties or charges, the Supplier shall immediately
consult with UNRWA to determine a mutually acceptable
procedure.

19.2 The Supplier expressly authorizes UNRWA to deduct
from the Supplier’s invoice any amount representing such
taxes, duties or charges, unless the Supplier has consulted
with UNRWA before the payment thereof and UNRWA has,
in each instance, specifically authorized the Supplier to pay such
taxes, duties or charges under protest. In that event, the
Supplier shall provide UNRWA with written evidence that
payment of such taxes, duties or charges has been made and
appropriately authorized.

20. RIGHTS OF UNRWA
20.1 In case the Supplier fails to comply with any term of
this Contract, the Supplier shall be liable for all damages sustained by UNRWA
including without limitation any increase in the price payable by UNRWA resulting from the procurement of the goods from other sources. UNRWA may, without notice to the Supplier, apply to the payment of any such loss, damage or additional costs, by setoff or otherwise, all credits, claims or other amounts, whether or not related to this Purchase Order, at any time owing by UNRWA to the Supplier. No grant of time to the Supplier to cure a default hereunder, nor any delay or failure by UNRWA to exercise any other right or remedy available to UNRWA under this Contract, shall prejudice any rights or remedies available to UNRWA under this Contract or be deemed a waiver thereof. The rights and remedies herein
provided are cumulative and not exclusive of any rights,
remedies, powers and privileges provided by law.

20.2 The Supplier shall indemnify, hold and save harmless, and defend, at its own expense, UNRWA, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Supplier, or the Supplier’s employees, officers, agents or subcontractors, in the performance of this Contract. This

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provision includes, but is not limited to, claims and liability in
the nature of workmen’s compensation, products liability and
liability arising out of the use of patented inventions or
devices, copyrighted material or other intellectual property by
the Supplier, its employees, officers, agents, servants or sub-
contractors. The obligations under this Article do not lapse
upon termination of this Contract.

21. TERMINATION

21.1 Either party may terminate this Contract for cause, in
whole or in part, upon 30 days’ notice, in writing, to the other
party. The initiation of proceedings in accordance with Article
23 shall not be deemed a termination of this Contract.

21.2 UNRWA may terminate this Contract upon notice at
any time should the mandate or the funding of UNRWA be
curtailed or terminated, in which case the Supplier shall be
reimbursed by UNRWA for all reasonable costs incurred by
the Supplier to receipt of the notice of termination.

21.3 In the event of any termination by UNRWA under this
Article, no payment shall be due from UNRWA to the Supplier
except for goods satisfactorily delivered, and related services
satisfactorily performed, in conformity with the express terms
of this Contract. The Supplier shall take immediate steps to
terminate the work and services in a prompt and orderly
manner and to minimize losses and further expenditures.

21.4 Should the Supplier be adjudged bankrupt, or be
liquidated or become insolvent, or should a
Receiver be appointed on account of the insolvency of the
Supplier, UNRWA may, without prejudice to any other right or
remedy it may have under these conditions, terminate this
Contract upon notice. The Supplier shall immediately inform
UNRWA of the occurrence of any of the above events.

22. FORCE MAJEURE

22.1 Force Majeure, as used in this Article means an act of
God, war (whether declared or not), invasion, revolution,
insurrection, or other acts of a similar nature or force.

22.2 In the event of and as soon as possible after the
occurrence of any cause constituting Force Majeure, the
Supplier shall give notice and full particulars in writing to
UNRWA, of such occurrence or change if the Supplier is
thereby rendered unable, wholly or in part, to perform its
obligations and meet its responsibilities under this Contract.
The Supplier shall also notify UNRWA of any other changes in
conditions or the occurrence of any event that interferes or
otherwise hampers its performance of this Contract. On
receipt of the notice required under this Article, UNRWA shall
take such action as it considers, in its sole discretion, to be
appropriate or necessary in the circumstances, including the
granting to the Supplier of a reasonable extension of time in
which to perform its obligations under this Contract.

22.3 If the Supplier is rendered permanently unable, wholly
or in part, by reason of Force Majeure to perform its
obligations and meet its responsibilities under this Contract,
UNRWA shall have the right to suspend or terminate this
Contract on the same terms and conditions as are provided
for in Article 21, except that the period of notice shall be 7
days instead of 30 days.

22.4 Notwithstanding anything to the contrary in this
Contract, the Supplier recognizes that the work and services
will be performed under harsh or hostile conditions caused by
civil unrest. Consequently, delays or failure to perform caused
by events arising out of, or in connection with, such civil
unrest shall not, in and of itself, constitute Force Majeure
under this Contract.

23. SETTLEMENT OF DISPUTES

23.1 The Parties shall use their best efforts to settle
amicably any dispute, controversy or claim arising out of this
Contract or the breach, termination or invalidity thereof.
Where the Parties wish to seek such an amicable settlement
through conciliation, the conciliation shall take place in
accordance with the Optional Conciliation Rules of the
Permanent Court of Arbitration then prevailing or according to
such other procedure as may be agreed between the parties.

23.2 Unless any such dispute, controversy or claim arising
out of this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph
within 60 days after receipt by one Party of the other Party’s
request for such amicable settlement, such dispute, controversy or claim shall be referred to either Party to
arbitration before the Permanent Court of Arbitration in
accordance with its Optional Rules for Arbitration between
International Organizations and Private Parties in force on the
date of this Contract. The appointing authority shall be the
Secretary General of the Permanent Court of Arbitration
following a written request submitted by either party. The
arbitration proceedings shall be held in Amman, Jordan and
shall be conducted in the English language, applying general
principles of international commercial law. The Arbitrator’s
decision shall be binding on the Parties, provided the
Arbitrator shall have no authority to award interest or punitive
damages, and there shall be no appeal. These provisions for
arbitration shall be in lieu of any other procedure for the
settlement of disputes among or between the Parties.

24. PRIVILEGES AND IMMUNITIES

Nothing in or relating to this Contract shall be deemed a
waiver, express or implied, of any of the privileges and
immunities accorded to UNRWA in international law.

25. NOTICE AND OTHER FORMALITIES

25.1 Service of any Notice referred to in this Contract or
arising therefrom shall be deemed to be valid if sent by
registered mail, or by cable, or by hand against authorized
signature on receipt, to the address of the party concerned as
set forth in this Contract.

25.2 It is expressly agreed that UNRWA shall have the right
to enforce these General Conditions without the necessity of
resorting to service of summons, mise en demeure, notarial
notice, and without any legal formalities or court proceedings
of any kind whatsoever; it being further agreed that the Notice
provided for in the preceding paragraph is adequate for all
purposes notwithstanding any provisions of applicable law to
the contrary.

26. WAIVER

No waiver of any breach of this Contract shall be held to be a
waiver of any other breach. All remedies afforded in this
Contract shall be taken and construed as cumulative, i.e. in
addition to every other remedy provided by law.

27. AMENDMENT

No amendment to this Contract shall be valid unless
confirmed in writing by the Parties. Only the Chief
Procurement and Logistics Division or, for local contracts, the
Field Procurement and Logistics Officer in each of UNRWA’s
Fields of Operation has authority on behalf of UNRWA to
modify or change this Contract or to waive any of its
provisions. Accordingly, no modification or change in this
Contract shall be valid and enforceable against UNRWA
unless provided by an amendment to this Contract signed by
the Supplier and the Chief Procurement and Logistics Division
or the Field Procurement and Logistics Officer (for local
contracts).