

# REQUEST FOR QUOTATIONS – SUPPLY of GOODS

***For projects governed by Procurement Regulations for ADB Borrowers: Goods, Works, Nonconsulting and Consulting Services (2017)***

**January 2020**

**[Note** (to be deleted when issuing the document): *This sample RFQ document is suitable for procuring off-the-shelf goods and standard specification commodities of small value. The contracts are normally of small value, short duration, and the Supplier executes the contract without sub-suppliers or sub-dealers. This RFQ document may be used to procure larger value contracts for equipment and vehicles available for immediate and direct delivery, such as those from a manufacturer's or Supplier's catalog. If imported goods are involved and/or foreign suppliers are requested, the document requires additional clauses for pricing and treatment of taxes and duties.*

*When included in a Procurement Plan as a result of a Strategic Planning Process, a threshold may be specified, and justification may be required for not using a more competitive procurement method such as open or limited competitive bidding.]*

# REQUEST FOR QUOTATION - GOODS (RFQG)

Project Title : G0535/0537-FSM: Improving the Quality of Basic Education in the North Pacific

Date of Issue of Request: **SEPTEMBER 4, 2023**

To : \_\_\_\_\_

Sir/Madam:

1. The **FSM Department of Education** (Purchaser) hereby requests you to submit price quotation/(s) for the supply of the following items:

(i) **MATH MANIPULATIVES**

(ii) \_\_\_\_\_

(iii) \_\_\_\_\_

(iv) \_\_\_\_\_

To assist you in the preparation of your price quotation we enclose the necessary **Supply and Delivery Schedule, Technical Specifications, Form of Quotation** and draft **Contract**.

2. If you/your firm, however, falls under any of the following conditions, your proposal shall not be considered:

(a) you/your firm are/is not a citizen/national of an ADB member country, or

(b) you/your firm have/has been associated with the firm that prepared the design and specifications, or engaged in the preparation of the Project for which the contract that is subject of this request for quotations was identified, or

(c) you/your firm are/is owned by the Purchaser, or

(d) you/your firm are/is currently sanctioned or temporarily suspended by the Asian Development Bank for a violation of its [Anticorruption Policy](#) (1998, as amended to date), or

(e) the importation of goods or services from your country or any payment to persons or entities in your country is prohibited in compliance with a decision of the United Nations Security Council under Chapter VII of the Charter of the United Nations.

3. To be qualified, you must have experience as a manufacturer or authorized supplier of the items covered by this **Request for Quotation** and, as evidence, you must also attach a document of your experience as supplier in at least one contract in the last 3 years of a size and nature similar to the items in the supply schedule of this contract.

4. Your quotation should be submitted in accordance with the following instructions, procedures, and the terms and conditions of the **Contract**.

### Preparation of Quotations

- (a) Your price quotation/(s) shall be for all the items as described in attached documents and submitted only in the attached **Form of Quotation** with the priced **Supply, Delivery and Price Schedule**. In the event a quotation lacks few items, then the whole quotation will be rejected. The currency of quoted prices and payment shall be US Dollars.
- (b) The prices should be quoted for supply and delivery to **Pohnpei, FSM** and should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information (in English language) for each item quoted, including names and addresses of firms providing after-sales service facilities in **Pohnpei, FSM**.
- (c) You shall submit only one set of quotations for the above items. Your quotation must be typed or written in indelible ink and shall be signed by you or your authorized representative. Without a signature in your **Form of Quotation**, your quotation will not be considered further.
- (d) You shall submit one original of the **Form of Quotation**, and clearly marked "Original". In addition, you shall also submit one copy marked as "COPY". In case of any discrepancy between the Original and Copy, the original shall prevail.
- (e) Your quotation(s) should be valid for a period of 30 days from the deadline for submission of the quotation/(s) as indicated below. If you withdraw your quotation during the validity period and/or refuse to accept the award of a contract when and if awarded, then you will be excluded from the list of Suppliers for the project for two years

### Submission and Opening

- (f) Your **Form of Quotation** with the priced **Supply and Delivery Schedule** should be submitted by **September 18, 2023 at 3:00pm Pohnpei time** with the required documents that should be signed, sealed in an envelope and addressed to and delivered to the following address:

Purchaser's Address : **FSM Department of Education**  
**P.O. BOX PS 87**  
**Palikir, Pohnpei FM 96941**  
Telephone : **691-320-2609**

[Or]

Your **Form of Quotation** with the required documents may be submitted electronically by facsimile or email to the following address:

Purchaser's Address : **FSM Department of Education**  
**P.O. BOX PS 87**  
**Palikir, Pohnpei FM 96941**  
Telephone : **691-320-2609**  
Fax : **NA**  
E-mail : **[marlynn.halbert@national.doe.fm](mailto:marlynn.halbert@national.doe.fm)**

- (g) Quotations shall be opened in public, in the presence of participating suppliers' representatives who choose to attend, on **September 18, 2023 at 3:00pm** and at the following address.

**FSM Department of Education**

### Evaluation and Comparison

- (h) Quotations determined to be substantially responsive to this **Request for Quotation** will be evaluated by comparison of their offer prices. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, and specifications in this **Request for Quotation**.
- (i) In evaluating the quotations, the Purchaser will adjust for any arithmetical errors as follows:
- (i) where there is a discrepancy between amounts in figures and in words, the amount in words will govern; and
  - (ii) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.
- If you refuse to accept the correction, your quotation will be rejected.

### Award of Contract

- (j) The Purchaser shall award the contract to the Supplier whose quotation has been determined to be substantially responsive to this **Request for Quotation** and who has offered the lowest price quotation.
- (k) The Supplier whose quotation has been accepted will be notified by the Purchaser within **10** days from the date of submission of quotation through the return of a copy of the **Form of Quotation** with **Acceptance** signed by the authorized representative of the Purchaser.
- (l) The successful Supplier shall sign the **Contract** governed by the **Contract Terms and Conditions**. In addition to the quoted price, the contract price shall include Value Added Tax (VAT) in **FSM**.
5. Further information can be obtained from:
- |           |  |
|-----------|--|
| Name      | : <b>Marlynn Halbert</b>   |
| Address   | : <b>FSM Department of Education</b><br><b>P.O. BOX PS 87</b><br><b>Palikir, Pohnpei</b> |
| Telephone | : <b>691-320-2609</b>  |
| Fax       | : <b>NA</b>  |
| E-mail    | : <a href="mailto:marlynn.halbert@national.doe.fm">marlynn.halbert@national.doe.fm</a>   |
6. The Purchaser intends to apply funds from the **Asian Development Bank (ADB)** for eligible payments under the **Contract** resulting from this **Request for Quotation**.
7. Under **[ADB's Anticorruption Policy](#)** (1998, as amended to date), suppliers shall observe the highest standard of ethics during the procurement and execution of such contracts. ADB may reject a proposal for award, and may impose sanctions or other remedial actions on parties involved, if it determines that the supplier recommended for award or any other party, directly or through an agent, has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for, or in executing, the Contract. At the time of submission of your quotation, you should not be in ADB's sanctions list. A firm/individual shall not be eligible to participate in any procurement activities under an ADB-financed, -administered, or -supported project while under temporary suspension or debarment by ADB pursuant to its Anticorruption Policy, whether such debarment was directly imposed by ADB, or enforced by ADB pursuant to the Agreement for Mutual Enforcement of Debarment

Decisions.

8. You/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, are not, or have never been, temporarily suspended, debarred, declared ineligible, or blacklisted by the purchaser's country, any international organization, and other donor agency.

If so debarred, declared ineligible, temporarily suspended, or blacklisted, please state details (as applicable to each joint venture partner, associate, parent company, affiliate, subsidiaries, subcontractors, and/or suppliers):<sup>1</sup>

- (a) Name of Institution: \_\_\_\_\_  
(b) Period of debarment, ineligibility, or blacklisting (start and end date): \_\_\_\_\_  
(c) Reason for the debarment, ineligibility, or blacklisting: \_\_\_\_\_

9. You/your firm's, joint venture partners', associates', parent company's affiliates' or subsidiaries', including any subcontractors' or suppliers', key officers and directors have not been [charged or convicted] of any criminal offense (including felonies and misdemeanors) or infractions/violations of ordinance which carry the penalty of imprisonment.

If so charged or convicted, please state details:<sup>2</sup>

- (a) Nature of the offense/violation: \_\_\_\_\_  
(b) Court/Area of jurisdiction: \_\_\_\_\_  
(c) Resolution (i.e. dismissed; settled; convicted/duration of penalty): \_\_\_\_\_  
(d) Other relevant details:

10. You/your firm understands that it is your obligation to notify ADB should you/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers, be temporarily suspended, debarred or become ineligible to work with ADB or any other multilateral development banks, the purchaser's country, international organizations, and other donor agencies, or any of your key officers and directors be charged or convicted of any criminal offense or infractions/violations of ordinance which carry the penalty of imprisonment.

11. Any misrepresentation that knowingly or recklessly misleads, or attempts to mislead may lead to the automatic rejection of the quotation/bid or cancellation of the contract, if awarded, and may result in remedial actions, in accordance with ADB's Anticorruption Policy (1998, as amended to date) and Integrity Principles and Guidelines (2015 as amended from time to time).

12. A bidder shall not have a conflict of interest. All bidders found to have a conflict of interest shall be disqualified.

13. Please confirm by fax/e-mail the receipt of this request and whether or not you will submit the price quotation(s).

Sincerely,

\_\_\_\_\_  
(Purchaser)

<sup>1</sup> Any such disclosure shall be forwarded by the Purchaser to ADB.

<sup>2</sup> Any such disclosure shall be forwarded by the Purchaser to ADB.

## Attachment 1

### SUPPLY AND DELIVERY SCHEDULE

Item	Description	Unit	Quantity	Unit Price	Total Price	Delivery Schedule
1	Measuring Kit Includes customary/metric tape measure, safe-T ruler, and meter/yard stick	set	48			All items will be delivered withing 30 days of receiving the purchase order or contract.
2	Measuring Kit Grades 3-5 Includes geometry tool set, platform scale, liter cube	set	48			
3	Geometry Tool Set Includes 180 degree semicircular protractor; 30/60/90 Degree Triangle Ruler; 45/90 Degree Triangle Rulers; Compass with 0.7 mm mechanical pencil, ruler, eraser	set	60			
4	Essential Number Cards includes sets of numeral cards 0-9, sets of 10-frame cards 0-10, sets of subitizing cards 1-9, set of number word cards zero to nine, and sets of symbols cards (+, -, x, ÷, =)	Card set	60			
5	MathLink Cubes Set of 100 2 cm cubes in varying colors. Individual cube size: 2x2x2cm	set	180			
6	interlocking base ten starter set Includes 100 units, 30 rods, 10 flats, 1 cube and 96-page Base Ten Book filled with teaching ideas	set	120			
7	4-value whole numbers place value cards Color-coded cards representing place value. Each set is packaged in a re-sealable poly bag for handy storage. 10 each of 4 values: ones, tens, hundreds, thousands. 40 cards total.	Card set	90			
8	7-value whole numbers place value cards Color-coded cards representing place value. Each set is packaged in a zip-lock bag for handy storage. 10 each of 7 values: ones, tens, hundreds, thousands, ten thousands, hundred thousands, millions. 70 cards total.	Card set	90			
9	4-value decimal place value cards Color-coded cards representing place value. Each set is packaged in a re-sealable poly bag for handy storage. 10 each of 4 values: thousandths, hundredths, tenths, ones. 40 cards total.	Card set	60			
10	7-value decimals to whole numbers place value discs Color-coded foam discs. 25 each of 7 values: thousandth, hundredth, tenth, one, ten, hundred, thousand. 175 total discs in set.	set	90			
11	10-value decimals to whole numbers place value discs Color-coded foam discs. 25 each of 10 values: thousandth,	set	90			

	<i>hundredth, tenth, one, ten, hundred, thousand, ten thousand, hundred thousand, million. 250 total discs in set.</i>					
12	<b>Double-Sided Geoboard Set 11x11 Grid</b> <i>Six 9" double-sided boards. One side has a 11 x 11 pin grid and the other has an isometric array.</i>	set	70			
13	<b>Customary SAFE-T Weights Set</b> <i>of hexagonal, plastic-coated weights contains eight 1 oz weights, two each of 4 oz and 8 oz weights, and one 1 lb weight. Stackable, color-coded weights with beveled edges come in a plastic storage box. Set of 13</i>	set	60			
14	<b>Primary Bucket Balance</b> <i>Removable calibrated clear buckets hold solids of up to 400 ml of liquid. Balance measures 16 1/2" x 16 1/2" x 6".</i>	set	60			
15	<b>Liquid Measuring Set</b> <i><b>Liquid Measuring cup:</b> (8 oz/250 ml), pint: (16 oz/500 ml), quart: (32 oz/1000 ml) <b>Standard Spoons:</b> 1/8 teaspoon, 1/4 teaspoon, 1/2 teaspoon, 1 teaspoon, 1/2 tablespoon, 1 tablespoon (Set of 6) <b>Standard Cups:</b> 1/8 cup, 1/4 cup, 1/3 cup, 1/2 cup, 1 cup (Set of 5) <b>Measuring Jars:</b> gill, pint, quart, half-gallon, gallon (metric 100 ml-300 ml</i>	set	48			
16	<b>Classroom Clock Set</b> <i>Kit includes one 13 1/4" Big Time 12-Hour Demonstration Clock, Twenty Four 4" geared mini-clocks, and Teaching Guide.</i>	set	48			
17	<b>Classroom Giant Money Set</b> <i>Jumbo money tray is filled with 100 plastic pennies, nickels, dimes and quarters; 50 half-dollar; 10 Sacagawea dollar coins; 100 each of \$1, \$5, \$10 and \$20; and 50 each of \$50 and \$100 play money bills. Includes 64-page Money Activity Book.</i>	set	48			
18	<b>Mini Geometric Solids</b> <i>Set of 32 colorful, plastic geometric pieces includes 4 sizes of 8 shapes: triangular prism, cube, cone, cylinder, rectangular prism, hexagonal prism, triangular pyramid and square pyramid. Set includes Teaching Guide.</i>	set	48			
19	<b>Rainbow Fraction Circles</b> <i>Includes one whole circle plus eight circles divided into halves, thirds, fourths, fifths, sixths, eighths, tenths and twelfths</i>	set	90			
20	<b>Double-Sided Magnetic Fraction Circles</b> <i>Includes 9 circles, each measuring 7.5", includes whole, 1/4, 1/2, 1/3, 1/4, 1/5, 1/6, 1/8, 1/10 and 1/12</i>	set	60			
21	<b>Rainbow Fraction Tiles with Tray</b> <i>set of 51 color-coded proportional plastic pieces. Represents 1 whole, 1/2, 1/3, 1/4, 1/5, 1/6, 1/8, 1/10 and 1/12</i>	set	60			
22	<b>Attribute Blocks Desk Set</b> <i>Sixty-piece set includes five shapes, two sizes, two thicknesses and three colors. Set comes in a convenient storage tray with shape sorter</i>	set	48			

	<i>that can be used for tracing.</i>					
23	<b>Plastic Pattern Blocks</b> <i>Includes: 100 plastic pattern blocks in six shapes</i>	set	60			
24	<b>Metric Weight Set</b> <i>Set contains twenty each of 1 g and 5 g, ten 10 g, four 20 g, two 100 g, and one each of 500 g and 1000 g weights. Stackable, color-coded weights come in a plastic storage box.</i>	set	60			
25	<b>Dual Power Timer</b> <i>Individual timer can time up or down to 99 minutes and 59 seconds</i>	piece	38			
26	<b>Dice</b> <i>Includes 6-sided dot dice (set of 24 minimum)</i>	set	10			
27	<b>body weight scale</b> <i>330 lbs capacity minimum (either analog or digital)</i>	piece	14			
28	<b>Thermometer</b> <i>Set of analog thermometers measuring up to 50° Celsius and 120° Fahrenheit. (pack of 10)</i>	set	48			
29	<b>Calculator</b> <i>8-digit pocket-sized calculators; Battery and/or solar powered; Set of 24 minimum</i>	set	6			

[**Note:** The schedule may be for a lot with several items but requiring a single lot price. Prices shall be in local currency.]



**Attachment 2**

**TECHNICAL SPECIFICATIONS**

***SEE SPECIFICATION IN ATTACHMENT 1***

# FORM OF QUOTATION (Goods)

\_\_\_\_\_ (Date)

To: FSM Department of Education  
P.O. BOX PS 87  
Palikir, Pohnpei FM 96941

We offer to execute the **Selling of Math Manipulatives** in accordance with the **Contract Terms and Conditions** and the priced **Supply and Delivery Schedule** accompanying this Quotation for the Contract Price of \_\_\_\_\_ **USD**. We propose to complete the delivery of Goods described in the Contract within the Delivery Time indicated in the priced **Supply and Delivery Schedule**.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Offer and Warranty conditions imposed by the **Request for Quotation** document and the **Contract Terms and Conditions**, respectively.

We: (a) are a national of an ADB member country; (b) have not been associated with the firm that prepared the design and specifications of the contract that is subject of this request for quotation; (c) are not owned by the Purchaser; (d) are not currently sanctioned or temporarily suspended by the Asian Development Bank; and (e) to the best of our knowledge, is not prohibited from being contracted in compliance with a decision of the United Nations Security Council.

Name of Supplier : \_\_\_\_\_  
Authorized Signature : \_\_\_\_\_  
Name of Signatory : \_\_\_\_\_  
Title of Signatory : \_\_\_\_\_  
Address : \_\_\_\_\_  
Telephone Number : \_\_\_\_\_  
Fax Number, if any : \_\_\_\_\_  
Email address (optional): \_\_\_\_\_

## ACCEPTANCE

The Purchaser accepts the Supplier's offer to supply and deliver the goods. Attached is the Contract with accepted Contract price for Supplier's signature to be submitted to the Purchaser within 15 days from receipt. [At the option of the Purchaser, add: Please provide a Performance Security for the due performance of the Contract, within 15 days of receipt of this returned **Form of Quotation**, in the amount equivalent to 10% of the Contract Price.]

Name of Purchaser : **FSM Department of Education**  
Authorized Signature : \_\_\_\_\_  
Name of Signatory : **Wayne Mendiola**  
Title of Signatory : **Acting Secretary**  
Date : \_\_\_\_\_

# CONTRACT

Name of Country:

Project Name:

Name of Contract: \_\_\_\_\_

Contract Number \_\_\_\_\_

This Contract is entered into on \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between ***FSM National Government by the Department of Education*** (hereinafter called "the Purchaser") on the one part, and \_\_\_\_\_ (hereinafter called "the Supplier") on the other part.

Whereas the Purchaser has requested for quotation for ***Math Manipulatives*** to be supplied by Supplier in accordance with the **Contract**, and has accepted the Quotation by the Supplier in the amount of \_\_\_\_\_ [\_\_\_\_\_] hereinafter called "the Contract Price".

The Purchaser and the Supplier agree as follows:

1. The following documents shall be deemed to form and be read and construed as part of this Contract, viz:
  - a) **Form of Quotation**, with **Supply and Delivery Schedule**;
  - b) **Contract Terms and Conditions**; and
  - c) **Technical Specifications**
2. Taking into account payments to be made by the Purchaser to the Supplier as provided herein, the Supplier hereby enters into this **Contract** with the Purchaser to execute and complete the supply of goods under the Contract and remedy any defects therein in conformity with the provisions of this **Contract** and its **Terms and Conditions**.
3. The Purchaser agrees to pay the Supplier, in consideration of the supply and delivery of the goods and the remedying of defects therein, the **Contract Price** as indicated and accepted in the **Form of Quotation**, under payment terms stipulated in the **Contract Terms and Conditions**.

IN WITNESS whereof the parties hereto have executed the Contract under the laws of the Federated States of Micronesia on the date indicated above.

**Signature and seal of the Purchaser:**

For and on behalf of

**Wayne Mendiola**

Name of Authorized Representative

**Signature and seal of the Supplier:**

For and on behalf of

\_\_\_\_\_  
Name of Authorized Representative

# CONTRACT TERMS AND CONDITIONS

Project Name: G0535/0537-FSM: Improving the Quality of Basic Education in the North Pacific

Name of Contract: **Procurement of Math Manipulatives**

Purchaser: **FSM Department of Education**

Package: \_\_\_\_\_

## 1. Definitions

- (a) "Contract" means the agreement entered into between the Purchaser and the Supplier, together with the Contract Documents referred to therein, including all attachments, appendixes, and all documents incorporated by reference therein.
- (b) "Contract Documents" means the documents listed in the Agreement, including any amendments thereto.
- (c) "Contract Price" means the price payable to the Supplier as specified in the Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.
- (d) "Delivery" means the transfer of the Goods from the Supplier to the Purchaser in accordance with the terms and conditions set forth in the Contract.
- (e) "Completion" means the fulfilment of the delivery and any related service by the Supplier in accordance with the terms and conditions set forth in the Contract.
- (f) "Goods" means all of the commodities, raw material, machinery and equipment, and/or other materials that the Supplier is required to supply to the Purchaser under the Contract.
- (g) "Purchaser" means the entity purchasing the Goods and Related Services, as specified in the SCC.
- (h) "Supplier" means the natural person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Purchaser and is named as such in the Agreement, and includes the legal successors or permitted assigns of the Supplier.
- (i) "ADB" is the Asian Development Bank.

## 2. Applicable Law

- 2.1 The Contract shall be interpreted in accordance with the laws of the Purchaser's country.

## 3. Language

- 3.1 All communications and documents related to the Contract shall be in English.

## 4. Assignment

- 4.1 Any assignment of this Contract or of any rights hereunder, in whole or in part without the prior written consent of the Purchaser shall be void.

## 5. Fraud and Corruption

- 5.1 This Contract shall be covered by the provisions of [ADB's Anticorruption Policy](#) (1998, as amended to date) and [Integrity Principles and Guidelines](#) (2015, as amended from time to time) that requires Borrowers (including beneficiaries of ADB-financed activity), as well as Suppliers and Contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts.

**6. Fixed Contract Price**

6.1 The prices indicated in the Form of Quotation are firm and fixed and not subject to any adjustment during contract performance.

**7. Delivery Schedule**

7.1 The delivery should be completed as per schedule indicated in the **Supply and Delivery Schedule** but not exceeding **one** months from the date of signing of contract.

**8. Required Technical Specifications (with attachments as necessary)**

- (a) General Description
- (b) Specific details and technical standards
- (c) Performance Parameters

Supplier confirms compliance with above specifications.

**9. Delivery and Documents**

9.1 Upon delivery, the Supplier shall provide the following documents to the Purchaser:

- (a) copies of the Supplier's invoice showing goods' description, quantity, unit price, and total amount;
- (b) manufacturer's or supplier's warranty certificate; and
- (c) certificate of origin.

If goods are coming by courier, supplier shall also provide prior to delivery, copies of documents that will enable Purchaser to receive the goods. The above documents shall be received by the Purchaser at least one week before arrival of the goods and, if not received, the Supplier shall be responsible for any consequent expenses.

**10. Taxes and Duties**

10.1 The Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods to the Purchaser.

**11. Payment**

11.1 Payment of the contract price shall be made in the following manner:

- (a) 10% within 14 days of signing the contract. Payment shall be made upon presentation by Supplier of verifiable proof of availability of goods ready for shipment/delivery.
- (b) 80% within 30 days from receipt by the Purchaser of the delivered goods on site in accordance with the contract (or whatever is appropriate for the goods being procured) including the required documents; and
- (c) 10% within 14 days upon submission of Supplier's claim supported by the acceptance certificate issued by the Purchaser.

**12. Warranty**

12.1 Goods offered should be covered by manufacturer's warranty for at least 12 months from the date of delivery to the Purchaser.

**13. Defects**

13.1 All defects will be corrected by the Supplier without any cost to the Purchaser within 30 day from the date of notice by Purchaser. The name and address of service facility where the defects are to be corrected by the Supplier within the warranty period are:

Facility \_\_\_\_\_

Address \_\_\_\_\_

**14. Resolution of Disputes**

14.1 The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. In the case of an unresolved dispute between the Purchaser and the Supplier, the dispute shall be settled in accordance with the provisions of the **Federated States of Micronesia.**

**15. Failure to Perform**

15.1 The Purchaser may cancel the Agreement if the Supplier fails to deliver the Goods, in accordance with the above terms and conditions, despite a 14-day notice given by the Purchaser, without incurring any liability to the Supplier.

**16. Force Majeure**

16.1 The supplier shall not be liable for penalties or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

(a) For purposes of this Clause, "Force Majeure" means an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but not restricted to, act of Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

(b) If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by Force Majeure event.

**17. Termination Due to Integrity Violation**

17.1 The Purchaser may terminate this Contract, in whole or in part, if the Supplier, in the judgment of the Purchaser has engaged in integrity violations in accordance with Clause 5 [Fraud and Corruption], in competing for or in executing this Contract.

**18. Accounts and Records**

18.1 The Supplier shall keep accurate and systematic accounts and records in respect of the delivered goods in such form and detail as are customary in the industry, for a period of no less than 3 years after the expiration or termination of this Contract.

**19. Suspension of ADB Loan or Credit**

- 19.1 In the event that ADB suspends the Loan or Credit to the Purchaser, from which part of the payments to the Supplier are being made,
- (a) the Purchaser is obligated to notify the Supplier, with copy to the Purchaser's representative, of such suspension within 7 days of having received ADB's suspension notice.
  - (b) if the Supplier has not received sums due it within the 28 days for payment provided for in Clause 11 [Payments], the Supplier may immediately issue a 14-day termination notice.