



GENERAL CONDITIONS OF FRAMEWORK AGREEMENT GOODS



Table of Content

G-1	SUB-ORDERS TO THE FRAMEWORK AGREEMENT	3
	Single-Supplier Framework Agreement	3
	Multiple-Supplier Framework Agreement.....	3
G-2	TECHNICAL SPECIFICATIONS.....	3
G-3	SOCIALLY RESPONSIBLE AND ENVIRONMENTALLY SAFE PRACTICE.....	3
G-4	INSPECTION, TESTING AND ACCEPTANCE	3
G-5	WARRANTIES AND REPRESENTATIONS	4
G-6	SECURITY	4
G-7	DELIVERY AND DELAY	5
G-8	LIQUIDATED DAMAGES.....	5
G-9	FORCE MAJEURE	6
G-10	RULES FOR THE PREPARATION OF INVOICES.....	6
G-11	TERMINATION AND TERMINATION PROCEDURES	6
G-12	SUPPLIER'S LIABILITY AND INDEMNITY	7
G-13	CORRUPT AND FRAUDULENT PRACTICE	7
G-14	CONFIDENTIAL INFORMATION.....	8
G-15	UNAUTHORIZED COMMITMENT OF THE PROCURING ENTITY.....	8
G-16	GENERAL COVENANTS	8
G-17	THE PROCURING ENTITY'S RESPONSIBILITIES	8
G-18	LANGUAGE.....	9
G-19	MISCELLANEOUS	9
G-20	DISPUTE SETTLEMENT.....	9
G-21	APPLICABLE LAW.....	10



G-1 SUB-ORDERS TO THE FRAMEWORK AGREEMENT

Single-Supplier Framework Agreement

When a Framework Agreement is concluded with only one Supplier, a Sub-Order for a delivery submitted to the Supplier, within the Term of Engagement of the Framework Agreement, shall constitute a Contract under the Framework Agreement. The Supplier has the obligation to deliver the Goods specified in the Sub-Order, and the Procuring Entity shall pay, in accordance with the terms and conditions of the Framework Agreement.

Multiple-Supplier Framework Agreement

When a Framework Agreement is concluded with more than one Supplier, for each delivery a new competition shall take place between all Suppliers subject to the Framework Agreement, following the procedures as specified by the terms and conditions defined in the Framework Agreement. An evaluation of the Sub-Tender that represents the best value for money shall result in a Sub-Order being submitted to that Supplier. The Supplier has the obligation to deliver the Goods specified in the Sub-Order, and the Procuring Entity shall pay, in accordance with the terms and conditions of the Framework Agreement.

G-2 TECHNICAL SPECIFICATIONS

- (a) The Goods shall conform to the technical specifications provided in Annex A (“Technical Specifications”) Conditions for the supply of Goods of the ‘Framework Agreement for Supply of Goods’. When no applicable standard is specified, the latest, authoritative standards customarily applicable to the Goods in the place where the Goods would be used shall apply.
- (b) The Supplier shall deliver Goods that conform to the Procuring Entity’s environmental policy to, among others, conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimize the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment. The Procuring Entity shall indicate in Annex A specific sustainability and environmental requirements, including applicable eco-labels, if there are any.

G-3 SOCIALLY RESPONSIBLE AND ENVIRONMENTALLY SAFE PRACTICE

- (a) The Supplier undertakes to commit to the principles of the UN Supplier Code of Conduct (https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscoc/conduct_english.pdf), including the (<https://www.unglobalcompact.org/what-is-gc/mission/principles>).
- (b) The Supplier shall make its best effort in good faith to refrain from any act or omission that would be environmentally harmful during the performance of the Framework Agreement, and ensure that any act, result or occurrence related to, arising out of or in connection with this Framework Agreement is not environmentally harmful. The Supplier shall at all times be in compliance with all environmental, health and safety laws of Kiribati, and observe any applicable international environmental, health and safety conventions and agreements, in connection with or during the performance of this Framework Agreement.

G-4 INSPECTION, TESTING AND ACCEPTANCE

- (a) To confirm that the Goods comply with the Technical Specifications, the Procuring Entity shall have the right to inspect and test the Goods at any time during manufacture and prior to shipment, and to inspect and test the Goods on or within a reasonable time after Delivery Date or Dates. The Supplier or its subcontractor(s) shall furnish all reasonable facilities and assistance, including access to drawings and production data and other relevant documents at no cost to the Procuring Entity. Details of the inspection and/or testing that the Procuring Entity requires, if there are any, shall be specified in Annex A.
- (b) The Procuring Entity may reject the Goods when they are evaluated to be inadequate or not conforming to the Technical Specifications provided in Annex A. The Procuring Entity shall ask the Supplier to either rectify or modify/improve or replace the Goods, as necessary, at no cost to the Procuring Entity, to meet the required specifications.
- (c) If the inspection and/or testing reveals that the Goods fully meet the Technical Specifications, the Procuring Entity shall accept the Goods. Such acceptance (“Final Acceptance”) shall not relieve the Supplier of the warranty obligations under this Framework Agreement.
- (d) In case the Goods do not satisfy the Technical Specifications in spite of the Supplier’s continual remedying, the Procuring Entity shall, after mutual discussion, be entitled to return the Goods to the Supplier. In this case, the Supplier shall refund the full amount prepaid for any rejected Goods and shall indemnify the Procuring Entity against



all losses, damages and any additional expenses that the Procuring Entity incurred to repair or replace the defective Goods.

- (e) The Supplier's consent to the inspection and/or testing of the Goods or inspection of any spare parts shall not release the Supplier from its warranties or other obligations under the Framework Agreement.
- (f) Unless otherwise agreed, the risk of loss and title to the Goods pass to the Procuring Entity upon the Final Acceptance.

G-5 WARRANTIES AND REPRESENTATIONS

- (a) The Supplier warrants that:
 - i. It has full capacity, authority and consent, including the consent of its parent company, where applicable, and that it possesses the necessary licenses, permits, and power to execute and perform its obligations under the Framework Agreement. The Supplier further warrants that the Framework Agreement is executed by the authorized representative of the Supplier.
 - ii. All information contained in the Supplier's tender which the Procuring Entity accepted for the provision of Goods are true, accurate and not misleading.
 - iii. To the best of the Supplier's knowledge and belief, no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress, pending or being threatened against the Supplier or any of its assets that could materially and adversely affect the Supplier's ability to deliver the Goods under the Framework Agreement.
 - iv. The Supplier is not subject to any contractual obligation that would materially and adversely affect the Supplier's ability to deliver the Goods under the Framework Agreement; nor has the Supplier done or omitted to do anything that could materially and adversely affect its assets, financial condition or position as a going business concern.
 - v. The Supplier has not filed nor is it facing proceedings for winding up its business or for dissolution, insolvency, bankruptcy, or the appointment of a receiver, liquidator, administrator or similar officer in relation to any of the Supplier's assets or revenue. The Supplier expressly warrants its financial viability.
 - vi. The Supplier has undertaken all financial accounting and reporting activities required under the generally accepted accounting principles that apply to the Supplier and in the country where it is registered and has complied with applicable securities and tax laws and regulations.
 - vii. That Goods and spare parts, if any, supplied under the Framework Agreement have no defect(s) arising from design, materials, workmanship; or damage resulting from any act or omission of the Supplier, or those that may develop under normal use of the Goods and spare parts.
- (b) To ensure that the Supplier would correct or cause the correction of all defects, the Supplier extends the warranty against defects for a minimum period of three (3) months, counted after Final Acceptance or other such period as may be specified in Annex A.
- (c) The Supplier shall further be liable for implied warranties under applicable laws.
- (d) The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under any or all of the express and implied warranties provided in the Framework Agreement. Upon receipt of such notice, the Supplier shall, within the period specified under sub-Clause (b) above, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- (e) If the Supplier, after notice, fails to remedy the defect(s) within the period specified in sub-Clause (b) above, the Procuring Entity may take remedial action, as necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Framework Agreement and other applicable laws.

G-6 SECURITY

- (a) To secure performance of its obligations under the Framework Agreement, the Supplier may be required to post sufficient security ("Performance Security") worth at least 10% of the Framework Agreement Amount established under Annex A. The proceeds of the Performance Security shall be payable to the Procuring Entity as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Framework Agreement.
- (b) The Performance Security shall be denominated in AU\$, or in a freely convertible currency acceptable to the Procuring Entity. The Performance Security shall be in one of the following forms:



ANNEX C

- 1) Cash, cashier's check, manager's check, or bank draft;
 - 2) Bank guarantee or an irrevocable stand-by letter of credit issued by a reputable bank in the Republic of Kiribati or abroad and acceptable to the Procuring Entity;
 - 3) Sovereign guarantee in the amount of one hundred percent (100%) of the Framework Agreement Amount; or
 - 4) Such form as may be specified in Annex A.
- (c) The Supplier shall submit the Performance Security within ten (10) calendar days from the signing of the Framework Agreement by both parties.
- (d) Unless otherwise specified in Annex A, the Procuring Entity shall return the Performance Security to the Supplier not later than thirty (30) days following the date of complete performance of the Supplier's obligations under the Framework Agreement, including warranty obligations, and upon issuance by the Procuring Entity of a signed letter addressed to the Supplier confirming such complete performance under the Framework Agreement.
- (e) The Procuring Entity shall have the right to unilaterally call the Performance Security when the Procuring Entity determines that:
- 1) The Supplier, in violation of or contrary to its warranties under the Framework Agreement, does not have the required license, permit, power and/or authority to enter into and fully perform its obligations under the Framework Agreement;
 - 2) The Supplier fails to fulfil any of its warranties and obligations under the Framework Agreement; or
 - 3) The Supplier breached the Framework Agreement and failed to remedy the breach, if the Procuring Entity deems such breach remediable, within seven (7) calendar days from receipt of notice from the Procuring Entity.

G-7 DELIVERY AND DELAY

- (a) Unless otherwise provided in Annex A, all shipments of the Goods shall be shipped by the Supplier DDP to the address advised by the Procuring Entity (INCOTERMS 2020).
- (b) Without in any way limiting sub-Clause (a) above, all transportation charges, import and export duties, insurance costs and any other costs and charges on the Goods delivered shall be borne by the Supplier.
- (c) The Goods shall be packed in standard packing conditions according to international commercial and industrial practice for international shipment. Without prejudice to foregoing, the Supplier shall apply proper anti-erosion and/or anti-rust compounds or coating, protective waterproof wrapping and/or packing, as the case may be.
- (d) Duplicate copies of the invoices and packing lists are to be packed with the Goods, original documents and other documents as required by the Supplier are to be sent separately and as quickly as possible in order to reach the Procuring Entity before the shipment arrives at the destination.
- (e) The Supplier shall inform the Procuring Entity of shipping details, including bill of lading numbers, and number of packages, and its expected date of departure and arrival by email within twenty-four (24) hours after the original shipping date.
- (f) Time is of the essence. Delivery of the Goods shall be made by the Supplier on the Delivery Date or Dates that the Procuring Entity has required in Annex A.
- (g) If the Supplier or its subcontractor(s) encounters conditions impeding timely delivery of the Goods, the Supplier shall notify the Procuring Entity in writing and at the soonest opportunity of the fact of the delay, its likely duration and cause(s). The Procuring Entity shall evaluate the situation and advise the Supplier if the Delivery Date or Dates can be extended.
- (h) Delay in delivery shall render the Supplier liable for liquidated damages provided in Clause G-8 below, unless the Procuring Entity extends the time of performance or when the Procuring Entity determines that the delay was due to Force Majeure, as defined in Clause G-9.
- (i) Delay may constitute default that may result in terminating the Framework Agreement, forfeiting the Supplier's Performance Security and/or awarding the Framework Agreement and/or Sub-Orders to another qualified Supplier.

G-8 LIQUIDATED DAMAGES

- (a) If the Supplier fails to deliver the Goods on the Delivery Date or Dates, the Procuring Entity may deduct from the Sub-Order Value, liquidated damages equivalent to 0,5% of the Sub-Order Value for every week of delay or part



ANNEX C

thereof until actual delivery or performance. The maximum allowable deduction for such liquidated damages shall be 10% of the Sub-Order Value.

- (b) Liquidated damages shall be imposed without prejudice to other remedies under the Framework Agreement and under applicable laws. Once the maximum allowable deduction for liquidated damages provided above is reached, the Procuring Entity may consider terminating the Sub-Order and/or the Framework Agreement based on the grounds provided in Clause G-11.

G-9 FORCE MAJEURE

- (a) For the purpose of this Framework Agreement, the term "Force Majeure", as employed herein shall mean acts outside the Parties' control, such as, strikes, lock-outs or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions, and any other similar events, not within the control of either Party and which by the exercise of due diligence neither party is able to overcome.
- (b) If either Party is temporarily unable as a result of an event of Force Majeure to meet any obligations under this Framework Agreement, such Party shall give to the other Party written notice of the event within fourteen (14) days after its occurrence.
- (c) The Parties shall take all reasonable measures to minimise the consequences of any event of Force Majeure.
- (d) Neither Party shall be liable to the other Party for loss or damage sustained by such other Party arising from any event of Force Majeure or delays arising from such event.

G-10 RULES FOR THE PREPARATION OF INVOICES

The following shall be observed when submitting invoices for payment.

- (a) The name of the authorized representative (see Article 6 of the 'Framework Agreement for Supply of Goods') and any Sub-Order number or similar stated by the Procuring Entity shall be quoted on the invoice.
- (b) Invoices must be prepared in English and shall be marked to show the Supplier's business address, invoice number and date. The name and telephone number of a person who may be contacted in case of need to raise queries shall be quoted on the invoice.
- (c) The invoice must describe the Goods delivered as specified in Annex A and the Sub-Order.
- (d) Invoice payments will, unless otherwise agreed, be made by direct transfer to the bank account referred to in the Article 6 of the Specific Conditions for Framework Agreement for Supply of Goods. Full details, as below, of the bank account, where payment shall be made, including currency of the account, must be supplied on the invoices:
 - i. Name of account holder
 - ii. Account number
 - iii. Name of Bank
 - iv. Address of Bank
 - v. Routing Number (if any)
 - vi. Swift Code
 - vii. BIC (international bank code)

G-11 TERMINATION AND TERMINATION PROCEDURES

- (a) The Procuring Entity may terminate this Framework Agreement, whether in whole or in part, at any time for the convenience of the Procuring Entity, including curtailment or termination of funding applicable to this Framework Agreement, by giving not less than thirty (30) calendar days advance written notice to the Supplier.
- (b) The Procuring Entity may terminate the Framework Agreement immediately by notice when:
 - 1) the Supplier fails and/or delays to deliver the Goods on the Delivery Date or Dates or within the extended warranty periods that the Procuring Entity would grant under Clause G-5(b) above;
 - 2) the undelivered Goods amount to at least ten percent (10%) of the Amount of the Framework Agreement; or
 - 3) the Supplier fails to perform any other obligation under the Framework Agreement and the Supplier fails to cure such failure within 14 calendar days after having received written notice by the Procuring Entity.



- (c) When the Procuring Entity terminates the Framework Agreement in whole or in part under the above provisions, the Procuring Entity may procure similar Goods, and the Supplier shall be liable for any excess costs that the Procuring Entity may incur as a result. The Supplier shall continue performing its obligations provided under parts of the Framework Agreement that remain effective.
- (d) The Procuring Entity may also terminate the Framework Agreement when Force Majeure, as defined in Clause G-9 above, has blocked the performance of the Framework Agreement, in which case the termination will be in accordance with Clause G-9.

G-12 SUPPLIER'S LIABILITY AND INDEMNITY

- (a) The Supplier shall be liable for and indemnify and hold harmless the Procuring Entity, its directors, officers, employees and agents in respect of:
 - 1) any act or omission, whether negligent, tortuous or otherwise, of the Supplier, its directors, officers, employees, subcontractors or agents relating to or arising from the provision of the Goods as specified in this Framework Agreement;
 - 2) any breach by the Supplier, its directors, officers, employees, subcontractors or agents of any of the Supplier's obligations under this Framework Agreement;
 - 3) any death or injury to a person resulting from the Supplier's, its directors', officers', employees', subcontractors' or agents' negligence or recklessness;
 - 4) any infringement or alleged infringement of any patent, copyright, registered design, trademark right, trade secrets or any other intellectual property rights of any third party by the use or sale of the Goods by the Procuring Entity (an "Intellectual Property Infringement"); or
 - 5) any failure of the Supplier, its directors, officers, employees, subcontractors or agents to comply with any applicable law, rule or regulation.
- (b) The Supplier shall indemnify, hold harmless and, subject to the Procuring Entity's privileges and immunities, defend the Procuring Entity, against all claims, damages, costs (including legal costs), expenses, taxes, penalties, liabilities, proceedings and losses arising from, out of or in connection with Clause G-12(a) 1) or 2) up to an amount equal to the greater of professional liability insurance proceeds or the Framework Agreement Amount, except that such ceiling shall not apply to actions, claims, losses or damages caused by the Supplier or its employees' reckless conduct or fraudulent behaviour.
- (c) The Supplier shall fully indemnify, hold harmless and, subject to the Procuring Entity's privileges and immunities, defend the Procuring Entity, against all claims, damages, costs (including legal costs), expenses, taxes, penalties, liabilities, proceedings and losses arising from, out of or in connection with Clauses G-12(a) 3), 4) or 5).

G-13 CORRUPT AND FRAUDULENT PRACTICE

The Procuring Entity may, without prejudice to any other remedy for breach of Framework Agreement, by written notice, terminate this Framework Agreement if in its judgement, the Supplier has engaged in corrupt, fraudulent, coercive or collusive practices in competing for or in executing this Framework Agreement. For the purposes of this Clause:

- 1) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party in connection with the selection process or in the Framework Agreement execution in order to obtain or retain business or other improper advantage in the conduct of business.
- 2) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- 3) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party in connection with the selection process or in the Framework Agreement execution in order to obtain or retain business or other improper advantage in the conduct of business.
- 4) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party, and includes any arrangements among the suppliers of goods (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.



G-14 CONFIDENTIAL INFORMATION

- (a) Both parties agree to respect each other's interest in maintaining the confidentiality of information. "Confidential Information" means: any information identified as confidential or proprietary by either party, or that ought reasonably under the circumstances to be treated as confidential or proprietary. Each party shall hold all Confidential Information provided to it by the other party in confidence and shall treat such Confidential Information with the same degree of care that it uses to protect its own Confidential Information, which must be no less than a reasonable degree of care. Each party shall also cause its employees, agents or subcontractors to protect such Confidential Information at least at the same level of protection that is required under this provision. Either party may publicly disclose Confidential Information only after obtaining the written permission signed by an authorised officer of the other party. Either party may disclose Confidential Information to the extent required by law or judicial order, if a prior written notice of such disclosure is furnished to the other party as soon as possible in order to afford the other party an opportunity to seek a protective order.
- (b) Except with the prior written consent of the Procuring Entity, the Supplier shall, and shall cause Supplier's employees, agents or subcontractors to, refrain from using Confidential Information for the Supplier's employees', agents' and sub-contractors' own purposes.

G-15 UNAUTHORIZED COMMITMENT OF THE PROCURING ENTITY

- (a) The Supplier shall not have authority to commit the Procuring Entity in any way whatsoever and shall make this clear as circumstances require.

G-16 GENERAL COVENANTS

- (a) The Supplier agrees that it shall immediately notify the Procuring Entity in writing when:
 - 1) the Supplier merges with, acquires or transfers all or substantially all its assets to another entity;
 - 2) any person or entity acquires directly or indirectly the beneficial ownership of equity securities and, consequently, the power to elect a majority of the board of directors of the Supplier, or otherwise acquires directly or indirectly the power to control the policy making decisions of the Supplier;
 - 3) the Supplier is dissolved; applies for insolvency or bankruptcy, or otherwise admits in writing its inability to pay its outstanding obligations;
 - 4) the Supplier is administratively or judicially declared insolvent or bankrupt, placed under receivership, administration, rehabilitation or liquidation;
 - 5) the Supplier's financial condition becomes significantly unstable and threatens to jeopardize the Supplier's ability to perform its obligations under the Framework Agreement;
 - 6) the Supplier loses any license or authorization required to perform its obligations under the Framework Agreement; or
 - 7) the Supplier faces any event beyond the control of the Supplier or a situation that makes it impossible for the Supplier to carry out its obligations under the Framework Agreement.
- (b) The Supplier shall not assign or subcontract this Framework Agreement or any part thereof except with the prior consent in writing of the Procuring Entity and only to a firm or a person approved by the Procuring Entity.
- (c) The Supplier shall not pay any commissions or fees; grant any rebates or give gifts or favours; or otherwise enter into any financial or business arrangements with the Procuring Entity personnel or their dependents during the Framework Agreement.

G-17 THE PROCURING ENTITY'S RESPONSIBILITIES

The Procuring Entity shall pay the amount of the Sub-order, according to the agreed terms and manner of payment defined in the Framework Agreement and subject to the following conditions:

- 1) The Supplier's request(s) for payment shall be made to the Procuring Entity in writing; accompanied by an invoice prepared in accordance with Clause G-10; and upon fulfilment of other obligations stipulated in the Framework Agreement.
- 2) Unless otherwise specified in Clause G-10, payments shall be made only after the appropriate Procuring Entity official certifies that the Goods were evaluated and found to be delivered according to the Sub-order and the terms of the Framework Agreement.



- 3) Except with the prior approval of the appropriate official of the Procuring Entity, no payment shall be made for Goods not yet delivered under the Framework Agreement.

G-18 LANGUAGE

English shall be the sole language under this Framework Agreement and, except as otherwise agreed or required by the Procuring Entity, all communication, documentation and reports under this Framework Agreement shall be prepared and presented in the English language. In any dispute over language, the English version shall prevail.

G-19 MISCELLANEOUS

- (a) Amendments and Waivers: No modification, alteration or amendment of this Framework Agreement and no waiver of any provision hereof may be made unless such modification, alteration, amendment or waiver is set forth in writing signed by the parties hereto.
- (b) Sole Framework Agreement: This Framework Agreement, including all attachments and annexes hereto, constitutes the sole agreement of the parties relating to the subject matter hereof and supersedes all oral negotiations and prior writings with regard to the subject matter hereof.
- (c) Severability: If one or more provisions of this Framework Agreement are held to be unenforceable under applicable law, the parties will renegotiate such provisions in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision then (i) such provision will be excluded from this Framework Agreement, (ii) the balance of this Framework Agreement will be interpreted as if such provision were so excluded and (iii) the balance of this Framework Agreement will be enforceable in accordance with its terms.
- (d) Counterparts: This Framework Agreement may be executed in several counterparts, each of which is deemed an original, but all of which together will constitute one and the same instrument.
- (e) Advice of Counsel: Each party acknowledges that, in executing this Framework Agreement, such party has had the opportunity to seek the advice of independent legal counsel and has read and understood all of the terms and provisions of this Framework Agreement. This Framework Agreement must not be construed against any party by reason of the drafting or preparation hereof.
- (f) Survival of Clause: All terms and provisions of this Framework Agreement, including executed Sub-Orders, and any annexes, which by their nature are intended to survive any termination or expiration of this Framework Agreement, shall so survive.
- (g) Exclusion of Third-Party Rights: A person who is not a party to this Framework Agreement has no rights under any contract law of any jurisdiction or otherwise to enforce any term of this Framework Agreement in his/her or its favour except that legally recognised successors or permitted assignees shall be deemed to be a party to this Framework Agreement.
- (h) Cumulative Remedies: The rights, powers and remedies of the Procuring Entity under this Framework Agreement are cumulative and in addition to and not in substitution for any rights, power or remedy that may be available to the Procuring Entity at law or in equity.

G-20 DISPUTE SETTLEMENT

- (a) The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Framework Agreement or the breach, termination or invalidity thereof.
- (b) If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence a court proceeding.
- (c) Any dispute arising between the Parties concerning the interpretation and/or execution of the Framework Agreement that the Parties fail to solve amicably, in accordance with G-20 (a) , shall be exclusively submitted to the competent court of Kiribati.
- (d) Notwithstanding any reference to the initiation of a court settlement, the Parties shall continue to perform their respective non disputed obligations under the Framework Agreement unless they otherwise agree; and the Procuring Entity shall pay the Supplier any non-contested levy due.



ANNEX C

G-21 APPLICABLE LAW

- (a) The Framework Agreement shall be governed by and interpreted in accordance with the legislation of Kiribati, unless otherwise specified in the Specific Conditions for Framework Agreement for the Supply of Goods.
- (b) Throughout the execution of the Framework Agreement, the Supplier shall comply with the import of goods and services prohibitions as established by the legislation of Kiribati when:
 - (a) as a matter of law or official regulations, the legislation prohibits commercial relations with that country; or
 - (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the legislation of Kiribati prohibits any import of goods from that country or any payments to any country, person, or entity in that country.