

**CUSTOMER CONTRACT REQUIREMENTS**  
**P-8I India Training Solution (I)**  
**CUSTOMER CONTRACT 400/DAA/C/17-18/P8I TRAINING SOLUTIONS I**

**CUSTOMER CONTRACT REQUIREMENTS**

The following customer contract requirements apply to this contract to the extent indicated below.

**1. Prime Contract Special Provisions** The following prime contract special provisions apply to this purchase order

**INDIA INTEGRITY PACT CLAUSE .**

1. Compliance with Laws:

Seller shall (i) comply with all applicable country laws relating to anti-corruption or anti-bribery, including, but not limited to, legislation implementing the Organization for Economic Co-operation and Development "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (the "OECD Convention"), the India Prevention of Corruption Act or other anti-corruption/anti-bribery convention; (ii) comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, *et. seq.*), regardless of whether Seller is within the jurisdiction of

the United States; and (iii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value received from Buyer to a public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery.

2. India Integrity Pact:

Seller confirms that it has read the Pre-Contract India Integrity Pact, which was executed by Buyer and the Government of India (GOI) substantially in the form found in the Defence Procurement Procedure, provided at <http://mod.nic.in/forms/List.aspx?Id=58&displayListId=58>

and is familiar with Buyer's obligations therein and Seller agrees that it shall comply with the applicable Integrity Pact therein or the modified version signed by Buyer and the GOI, a copy of which is or has been provided to Seller.

3. Independent Contractor:

Seller is an independent contractor fully and solely responsible for its own actions and is not, and shall not hold itself out as, an employee, agent, partner or joint venture party of or with, or attorney in fact for Buyer. Directors, officers, agents, representatives, consultants, subcontractors, employees and affiliates of Seller (collectively, "Seller's Affiliates") shall not be considered, directors, officers, agents, representatives, consultants, subcontractors, employees or affiliates of Buyer and neither Seller nor Seller's Affiliates may make or sign or purport to make or sign sales orders or contracts or other instruments in the name of Buyer, make any commitment for the account of, assume or create express or implied obligations of any kind on behalf of, or in any respect bind Buyer, or market, sponsor or promote any product or service on behalf of Buyer. Seller shall not have the authority to accept service of legal process for or on behalf of Buyer. Seller shall be solely responsible for the actions of Seller's Affiliates. In no event shall Buyer be held liable or accountable for any obligations incurred by Seller or Seller's Affiliates and Seller shall indemnify and hold Buyer harmless against any such liability or accountability. Seller agrees at all times to comply with all legal, fiscal and commercial obligations, which are required of Seller in its capacity as an independent contractor.

4. Indemnification:

Seller shall indemnify and hold harmless Buyer for the amount of any loss suffered by Buyer and any penalty imposed on Buyer by the GOI as a result on Seller's breach of any provision hereof.

5. Cancellation for Default

Seller's breach of any provision of this clause shall be grounds for cancellation of this contract under the Cancellation for Default and/or

Termination/Cancellation Articles of this contract.

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### **ARTICLE 7 QUALITY**

The quality of the stores (Goods) delivered according to this Contract shall correspond to the technical conditions and standards valid for the deliveries of the same stores for in SELLER's country and shall also include therein modification to the stores suggested by the BUYER. Such modifications will be mutually agreed to. The SELLER confirms that the stores (Goods) to be supplied under this Contract shall be new, i.e. not manufactured before 2017, and shall incorporate all the latest improvements and modifications thereto and spares of improved and modified equipment are backward integrated and interchangeable with same equipment supplied by the SELLER in the past if any. The SELLER shall supply an interchangeability certificate along with the changed part Nos.

### **ARTICLE 22 PENALTY FOR USE OF UNDUE INFLUENCE**

22.1 The SELLER undertakes that he has not given, offered or promised to give, directly or indirectly, any gift, consideration, reward, commission, fees brokerage or inducement to any person in service of the BUYER or BUYER's customer, or otherwise in procuring the Contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract or any other contract with the Government of India for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other contract with the Government of India. Any breach of the aforesaid undertaking by the SELLER or any one employed by him or acting on his behalf (whether with or without the knowledge of the SELLER) or the commission of any offers by the SELLER or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860, or the Prevention of Corruption Act, 1988, or any other Act enacted for the prevention of corruption shall entitle the BUYER to cancel the Contract and all or any other contracts with the SELLER and recover from the SELLER the amount of any loss arising from such cancellation. A decision of the BUYER or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the SELLER.

22.2 Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the SELLER towards any officer/employee of the BUYER or to any other person in a position to influence any officer/employee of the BUYER for showing any favor in relation to this or any other contract, shall render the SELLER to such liability/ penalty as the BUYER may deem proper, including but not limited to termination of the Contract, imposition of penal damages, and refund of the amounts paid by the BUYER.

### **ARTICLE 23 AGENTS/AGENCY COMMISSION**

The SELLER confirms and declares to the BUYER that the SELLER is the original manufacturer of the stores referred to in this Contract and has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommend to the Government of India or any of its functionaries, whether officially or unofficially, to the award of the Contract to the SELLER; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. The SELLER agrees that if it is established at any time to the satisfaction of the BUYER that the present declaration is in any way incorrect or if at a later stage it is discovered by the BUYER that the SELLER has engaged any such individual / firm, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person, party, firm or institution, whether before or after the signing of this Contract, the SELLER will be liable to refund that amount to the BUYER. The SELLER will also be debarred from entering into any supply contract with the Government of India for a minimum period of five years. The BUYER will also have a right to consider cancellation of the Contract, either wholly or in part, without any entitlement or compensation to the SELLER, who shall in such event be liable to refund all payments made by the BUYER in terms of the Contract along with interest at the rate of 2% per annum above London Inter-Bank Offered Rate (LIBOR) rate for foreign vendors and Base Rate of SBI for Indian vendors. The BUYER will also have the right to recover any such amount from any contracts concluded earlier with BUYER, or in the case of the BUYER's customer, the Government of India.

### **ARTICLE 28 PATENTS AND OTHER INTELLECTUAL PROPERTY RIGHTS**

Buyer's customer shall have the right to use, copy and reproduce patents, copyrights, registered charges, trademarks, and any other intellectual property rights as necessary for the use, maintenance and repair of Goods.