



Northern Territory Government

**Conditions:
Tendering and Contract**

**Supply of Goods
Period Contract**

Version No: 4.1.10

Effective Date: March 2003

CONDITIONS OF TENDERING AND CONTRACT SUPPLY OF GOODS PERIOD CONTRACT

TABLE OF CONTENTS

1. CONDITIONS OF TENDERING	3
1.1 LODGEMENT OF TENDERS.....	3
1.2 TENDERERS TO INFORM THEMSELVES.....	4
1.3 DOCUMENTS TO BE LODGED WITH TENDER FORM.....	4
1.4 VALIDITY.....	5
1.5 SAMPLES AND LITERATURE FOR ASSESSMENT	5
1.6 PERFORMANCE PLAN	6
1.7 ALTERNATIVE TENDERS.....	6
1.8 TAXES, DUTIES AND FEES ETC.	6
1.9 SCHEDULE OF RATES	6
1.10 PART OFFER AND PART ACCEPTANCE	6
1.11 IMPARTIALITY OF REQUIREMENTS	6
1.12 TENDER ASSESSMENT CRITERIA	6
1.13 ADDITIONAL INFORMATION.....	7
1.14 NOTIFICATION OF ACCEPTANCE.....	7
1.15 PANEL PERIOD CONTRACT	7
1.16 COMMON USE CONTRACT	8
2. CONDITIONS OF CONTRACT	9
2.1 NATURE OF CONTRACT	9
2.2 INTERPRETATION OF TERMS.....	10
2.3 SUPPLY OF GOODS BY PURCHASE ORDER	11
2.4 CONTRACTOR'S WARRANTY.....	11
2.5 PERFORMANCE PLAN	12
2.6 INDEMNITIES.....	12
2.7 INSURANCES	12
2.8 VARIATIONS	13
2.9 DELIVERY, ACCEPTANCE AND REJECTION	13
2.10 WARRANTY PERIOD	14
2.11 INVOICING AND PAYMENT	14
2.12 DEFAULT OR BANKRUPTCY	14
2.13 DIRECTIONS AND NOTICES.....	14
2.14 ASSIGNMENT	15
2.15 SUB-CONTRACTING.....	15
2.16 CONFIDENTIALITY AND PUBLICITY	15
2.17 LOCAL CONTRACTORS AND SUPPLIERS	15
2.18 SERVICE OF DOCUMENTS.....	15
2.19 DISPUTES	15
2.20 GOODS AND SERVICES TAX	16
2.21 VOLUNTARY TERMINATION.....	16

1. CONDITIONS OF TENDERING

1.1 LODGEMENT OF TENDERS

Tenders shall be in the form required by the Clause titled "Documents to be Lodged with Tender Form". Tenders shall be enclosed in a sealed envelope marked with the Tender Number and closing date. Oral Tenders or Tenders submitted by electronic mail (other than via Tenders Online eLodgement service), shall not be considered.

1.1.1 Closing Time and Date

Tenders will close at the time and on the date stated on the front cover of this Request for Tender (RFT).

1.1.2 Delivered By Hand

The preferred Tender Box for lodgement of this Tender is as stated on the cover of this RFT.

Tenders however may be lodged by hand in any of the following Tender Boxes:

Department of Corporate and Information Services
Contract and Procurement Services
Ground Floor, Enterprise House
28-30 Knuckey Street
DARWIN NT 0800

Department of Corporate and Information Services
1st Floor, Gaymark Plaza
4 Mansfield Street
PALMERSTON NT 0830

Department of Corporate and Information Services
1st Floor, NT Government Centre
5 First Street
KATHERINE NT 0850

Department of Corporate and Information Services
1st Floor, Alice Plaza
Corner Parsons Street and Todd Mall
ALICE SPRINGS NT 0870

Department of Corporate and Information Services
NT Government Building
Peko Road
TENNANT CREEK NT 0860

Department of Corporate and Information Services
Ground Floor, Arnhem Village
Arnhem Road
NHULUNBUY NT 0880

Tenders lodging by hand in other than the Tender Box referred to on the front cover of this RFT must take particular care to show the Tender Number and closing date and time on the envelope.

1.1.3 Delivery By Post

Tenders sent by prepaid post must be directed to the postal address stated on the cover of this RFT.

1.1.4 Sent By Facsimile

Tenders sent by facsimile must be directed to the facsimile number stated on the cover of this RFT.

Tenders transmitted by facsimile received by the stated closing time and date may be admitted for consideration provided a signed copy of the Tender Form and completed prices/rates schedules have been lodged, and subject to the receipt of the original Tender within two (2) working days of the closing date.

Where the signed copy of the Tender Form and all attachments required have been lodged by facsimile, the requirement to submit an original Tender will only be necessary on request from the Principal.

1.1.5 Lodged via Electronic Tender Lodgement (eLodgement)

Where electronic tender lodgement has been allowed, Tenders must be submitted:

- (a) in the electronic format as specified; and
- (b) using the eLodgement button;

on the Tenders Online eLodgement service, <http://www.nt.gov.au/Tenders>

Tenders lodged at a different address will be invalid and the Tender will not be admitted for consideration.

The Tender (ie. tender form and all other response schedules) may be admitted for consideration on the basis that the transmission of the Tender is acknowledged by the Tenderer as being the true and legal version and is completed, submitted and acknowledged by the stated closing time and date.

In choosing to use the eLodgement option, Tenderers agree to comply with the conditions of use, of the Tenders Online service.

If, for any reason, the electronic Tender submitted becomes corrupt, illegible, inadequate or incomplete as a result of transmission, storage, etc. a hard copy or a further electronic copy of the Tender must be provided by the Tenderer on request from the Principal.

1.1.6 Late Tenders

Tenders received after the stated time and date for closing of Tenders are not admitted for consideration.

Notwithstanding the preceding paragraph:

- (a) Tenders submitted by prepaid post or a commercial courier service, received after the stated date and time for closing may be considered only if it can be established to the satisfaction of the Principal that they were posted or despatched before the stated date and time for closing and in the ordinary course of business would not have been received late. Impressions of franking machines are not acceptable evidence of timely posting or despatch.
- (b) Tenders submitted by facsimile received after the stated date and time for closing may be considered only if it can be established to the satisfaction of the Principal that they were lodged for transmission with Australia Post before the stated date and time for closing and in the ordinary course of transmission would not have been received late. Dates and times displayed on transmissions from company owned facsimile transmission devices are not acceptable evidence of timely transmission.
- (c) Tenders submitted by the eLodgement option of the Tenders Online service, may be considered only if it can be established to the satisfaction of the Principal that they were submitted before the stated date and time for closing, as evidenced in the acknowledgment of receipt from the NT Government Tender Lodgement host server.

1.2 TENDERERS TO INFORM THEMSELVES

Tenderers shall inform themselves fully of all circumstances and conditions relating to submitting a Tender, including an inspection of the site, if appropriate, and shall satisfy themselves as to the correctness and sufficiency of the RFT documentation.

The "Northern Territory Procurement Policy and Strategies" & "Northern Territory Procurement Code" can be found at the web address www.nt.gov.au/ntt/procurement or is available at the point of issue of the RFT.

Tenderers who have any doubts as to the meaning of any part of the RFT shall seek clarification in writing from the person specified in the Annexure to the Conditions of Tendering and Conditions of Contract (the Annexure).

Arrangements for site inspection, are as stated in the Annexure. Failure to attend the site meeting where requested will result in the Tender being declared ineligible for consideration.

Should the Tenderer find any discrepancy, error or omission in the RFT they shall notify the Director, Contract and Procurement Services in writing (facsimile 08 8999 1932) as early as possible but in any event before the closing of Tenders.

Any clarification given pursuant to this clause may also be issued to all other prospective Tenderers.

No explanation or amendment to the RFT shall be recognised unless in the form of a written addendum issued by the Principal.

Any Tenderer who believes the RFT to be discriminatory, restrictive or biased should inform the Director, Contract and Procurement Services in writing (facsimile 08 8999 1932) as early as possible, but in any event before the closing of Tenders.

1.3 DOCUMENTS TO BE LODGED WITH TENDER FORM

The Tenderer shall complete in full and submit one copy of the documents listed in the Annexure.

Any Tender that does not comply with these conditions or which contains provisions not required or allowed by the RFT may be regarded as informal and rejected.

The Principal will neither be responsible for, nor pay for, any expense or loss, which may be incurred by Tenderers in the preparation of its Tender. Once lodged, the Tender shall become the property of the Principal.

The Tenderer shall sign its Tender as indicated below, and have the signature witnessed.

- (a) In the case of a corporation:
- (i) With its common seal, and the fixing of the seal witnessed by:
 - 2 directors of the company; or
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director; or
 - (ii) Without its common seal, if signed by:
 - 2 directors of the company; or
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director; or
 - (iii) By signature of two persons (other than the persons described in clause [ii]) authorised by the corporation to bind it in contract. In such circumstances a copy of the authorisation duly executed by the corporation in accordance with clause (i) or (ii) must be submitted with the Tender.
- (b) In the case of a firm (including a firm trading under a business or trading name and a partnership):
- (i) By signature of each proprietor of the firm.
 - (ii) Or in the case of firms having more than five proprietors, by signature of the proprietors authorised to bind the firm in contract. In the case of the later evidence of the authority of those proprietors to bind the firm may be required by the Principal.
 - (iii) Any proprietor which, is a corporation must sign the Tender in the manner indicated in paragraph above.

Where the Tender is from a:

- (a) person or persons, full given names are to be provided.
- (b) firm or business or trading name full given names of each member of the firm are to be provided.
- (c) Company, the full name and Registered address are to be provided.

Where Tenderer's are lodging their Tender via the eLodgement option on the "Tenders Online" service, there is no requirement to complete the "signature" or "witnessed" blocks on the Tender Form.

Each Tender shall contain the Tenderer's ACN/BN and ABN and an address for service of any notices necessary or required to be or which may be served on or given to the Tenderer in connection with its Tender and any subsequent contract arising out of acceptance of the Tender.

1.4 VALIDITY

Tenders shall remain valid for the period stated in the Annexure. If a Tender is not formal or complete in accordance with these Conditions of Tendering, the Tender validity period shall commence from the date on which the Tender is formalised or completed to the satisfaction of the Principal. A Tenderer may withdraw their Tender at any time after the expiration of the tender validity period, but shall not withdraw their Tender prior to the expiration of such period unless such withdrawal is accepted by or on behalf of the Principal.

1.5 SAMPLES AND LITERATURE FOR ASSESSMENT

Tenderers may submit with their Tender specifications and/or brochures to enable full assessment of the product offered.

To assist in product evaluation the Principal may call on the Tenderer to provide samples of the Goods offered. When samples are to be lodged with Tender, it will be specified in the Scope of Requirement.

Samples shall be forwarded to the address, and within the time, specified in writing by the Principal at the Tenderer's risk and expense. Failure to provide samples may disqualify the Tender from further assessment.

The Principal shall be entitled to test the sample to ensure compliance with the supply requirements. Where specified, samples may be tested to destruction at the Tenderer's expense unless agreed otherwise in writing.

If requested in writing by the Tenderer, samples will be returned to the Tenderer at their risk and expense.

1.6 PERFORMANCE PLAN

If it is stated in the Annexure that a Performance Plan is required then the Tenderer is to submit a Performance Plan Proposal with the Tender.

If required, any Tender in which the Performance Plan Proposal is not provided may be considered as informal and rejected.

1.7 ALTERNATIVE TENDERS

If so stated in the Annexure, the Tenderer may submit an alternative proposal provided that it is clearly identified as an "Alternative Tender".

Tenderers are encouraged to offer options or solutions, which may (for example in a novel or innovative way) contribute to Principal's ability to carry out its business in a more cost-effective manner. These may be related to the outputs; or functional, performance and technical aspects of the requirement.

Where a Tenderer submits an offer which meets the requirements in an alternative and practical manner, it shall include any supplementary material, together with associated prices, which demonstrates in detail that such an alternative will fully achieve and/or exceed all the specified requirements, together with references as to why the additional features may be advantageous.

1.8 TAXES, DUTIES AND FEES ETC.

The Tenderer shall make due allowance for any fees, duties, royalties, premiums, costs, charges and the like which will be due and payable to any person or authority under the Contract.

Tenderers shall submit a Tender that includes GST.

1.9 SCHEDULE OF RATES

The Tenderer shall complete each line item in the Schedule of Rates against which a price is offered and lodge the Schedule with the Tender. The rates shall allow for labour, materials, transport, freight, overheads, profits and all other costs.

Unless otherwise stated, any quantities given in the Schedule are not guaranteed as to the amount of Goods to be ordered under the Contract, but shall be used for Tender assessment purposes only. The Principal will only be liable for the acceptance, subject to Contract, of the quantities ordered.

1.10 PART OFFER AND PART ACCEPTANCE

Unless otherwise stated in the Annexure, Tenderers may tender a portion or the whole of the Goods.

Where part offers are allowed, the Principal reserves the right to accept a portion or the whole of any Tender at the price or prices tendered unless the Tenderer specifically states to the contrary in its offer.

1.11 IMPARTIALITY OF REQUIREMENTS

If an item is specified as being similar or equivalent to a particular brand in the Scope of Requirement this is to set an acceptable standard only and no preference is given to that brand.

Any Goods offered must be at least of the same standard and potential as specified in the Scope of Requirement, or as is inherent in the equivalent brand. The Principal may accept Goods of higher standard than specified if the Goods offer better value-for-money outcomes.

1.12 TENDER ASSESSMENT CRITERIA

Selection of the successful Tenderer will be based on, but not necessary limited to, assessment of Tenders against the following criteria:

- (a) completeness (basic contractual/commercial compliance);
- (b) conformity with specified requirements;
- (c) price in relation to the Tender estimate;
- (d) comparative evaluation based on achieving best value for money;
 - (i) Tenderer's technical, financial and managerial capacity;
 - (ii) Tenderer's previous experience;
 - (iii) Tenderer's past performance under contracts with the Territory including, but not limited to;
 - compliance with time frames;
 - quality of product/service;
 - contractual relations/administration;
 - compliance with sub-contractor/supplier provisions;
 - compliance with Northern Territory Procurement Code.
 - (iv) local factors e.g. extent of support for Northern Territory business and industry;
 - (v) environmental protection issues;
 - (vi) Tenderer's current commitments;
 - (vii) reasonableness of price; and
 - (viii) alternative or innovative methods (if applicable).

Tenderers may provide on the Schedule of Tenderer's Information any relevant factors addressing the selection criteria, which may assist the Territory in making an assessment of the Tender.

The Territory supports development of local industry within the principle of value-for-money and, where appropriate, Tenderers should highlight the commercial, technical and economic benefits of local content contained in their Tender. The NT Industry Search and Opportunities office provides a free of charge professional service to assist in locating sources of supply for products and services.

Tenderers are advised that each of the selection criteria may not be given equal weight in relation to any individual Tender.

Additional assessment criteria may also be detailed elsewhere in the RFT.

1.13 ADDITIONAL INFORMATION

The Tenderer may be called upon to supply information additional to that provided in their Tender to demonstrate to the satisfaction of the Principal that the Tenderer has the capacity to perform in accordance with the requirements of the RFT.

The Tenderer shall within the time specified comply with any such requests. Should the Tenderer fail to submit any or all of the information required, in the time stipulated, their Tender may be treated as informal and rejected.

1.14 NOTIFICATION OF ACCEPTANCE

The Principal shall not be bound to accept the lowest or any Tender.

Notice of acceptance of the Tender shall be given in the form of an official order or written notice and this order or notice shall constitute a binding contract between the Principal and the successful Tenderer (hereinafter called the "Contractor").

If notice of acceptance has not been given there shall be no agreement between the Principal and the Tenderer and the Tenderer shall not act on any representations or statements made by the Principal or its employees or agents prior to the issue of the notice of acceptance.

1.15 PANEL PERIOD CONTRACT

If so stated in the Annexure, the Principal will establish Panel Period Contracts for the Goods specified in the RFT. The Contracts will be for either:

- (a) specific requirements at fixed rates; and/or
- (b) for a general scope of requirements without any rates/prices, and for which firm offers will be periodically sought from the Contractors.

For practical reasons the Principal reserves the right to fix the size of the panel to a limited number of contractors who best meet the selection criteria.

The Panel Period Contracts will be administered in accordance with the provisions of the sub-clause titled "Panel Period Contract" of the Conditions of Contract.

1.16 COMMON USE CONTRACT

If so stated in the Annexure, the Principal will establish a common use contract for the Goods specified in the RFT.

If the Contract is designated common use, it is expected that Departments will utilise the Contract for the provision of Goods of the nature and type specified in the Contract.

If the Contract is not designated common use, Departments (other than the lead Department) are not bound to use the Contract but may utilise the Contract subject to agreement with the Contractor.

2. CONDITIONS OF CONTRACT

2.1 NATURE OF CONTRACT

2.1.1 Type of Contract

The type of Contract is a standing offer arrangement.

2.1.2 Estimated Requirements

The estimated quantities required are shown in the Schedule of Rates. Although every endeavour has been made to form an accurate estimate of requirements during the period of the Contract, the Principal does not bind itself to take the quantities stated, but reserves the right to order greater or lesser of the quantities according to requirements during that time.

If in the opinion of the Ordering Officer, specific requirements of the Agency are outside the scope and intent of the Contract, the Ordering Officer shall be free to obtain the requirements or any part of them by other means.

2.1.3 Basis of Payment

The Contractor shall be paid on a Schedule of Rates basis. The sum payable shall be calculated by multiplying the Unit Rate for the specific Goods by the number of Units delivered and accepted in accordance with the Contract.

2.1.4 Period of Contract

The Contract is a Period Contract. The initial period of the Contract is the period stated in the Annexure. The Contract shall commence in accordance with the nomination in the Annexure, being either a specific date or the Date of Acceptance.

2.1.5 Contract Extension

The Principal has the right to extend the Contract for any further period(s) as stated in the Annexure. There is no obligation on the Principal to extend the Contract.

An extension to the Contract is not valid until the Principal gives the Contractor the opportunity to submit revised rates and the Principal agrees to any revised rates and notifies the Contractor in writing that the Contract is extended.

It is the intention that revised Unit Rates shall reflect the Contractor's current costs based on relevant cost adjustment indices or other industry factors and shall not provide for increases in profit margin.

2.1.6 Price Adjustment

The basis of price adjustment if any, to the Contract Unit Rates shall be as stated in the Annexure.

If the Contract allows a review of the Contract Unit Rates during the Contract period the Contractor shall submit a written application for price adjustment in accordance with the provisions of the Contract to the Principal for approval which shall not be unreasonably withheld. The application shall include adequate information to substantiate the adjustment in Unit Rates. No increases to profit margin will be considered.

Price adjustment shall take effect at either the date allowed for in the Contract or the Contractor's application date, whichever is the latter. There shall be no retrospective adjustment of the Contract Unit Rates.

2.1.7 Panel Period Contract

Subject to any other provisions of the Contract, if the Contract is designated as a Panel Period Contract the following provisions will apply:

- (a) Specific Requirements at Unit Rates:
 - (i) The Ordering Officer will issue a Official Order against the established rates to the Contractor offering the best value-for-money outcome, within the required time frame.
- (b) General Requirements with no Unit Rates:
 - (i) The Ordering Officer will select a Contractor in the following manner:

- Prepare a request for quotation setting out the details of the Goods including deliverables and time frame for completion.
 - Forward the request for quotation to a number of panel members depending on the estimated value of the particular Goods:
 - If under \$10,000 at least three panel members, if practicable
 - Over \$10,000 all panel members.
- (ii) Selection of the panel member for the provision of these requirements will be based on factors such as value-for-money, the ability to meet completion times, specific expertise, current commitments, degree of utilisation of local industry, and the advantages of dealing with a single provider.

The Ordering Officer recognises that the panel members have been selected on the basis that they are capable of providing the Goods and the opportunity for the different panel members to submit an offer for particular Goods should be approximately equal over the life of the Contract.

- (c) Where the Contract is for a general scope of requirements without any rates:
- (i) the panel once established will remain closed for a period of twelve (12) months unless the Principal determines that owing to changed circumstances the size of the panel is inadequate.
 - (ii) at the end of every twelve (12) months or sooner if the Principal so determines, the Principal may appoint additional contractors to the panel under the same assessment criteria contained in this RFT.
 - (iii) the Principal will notify existing panel members of any additions to, or withdrawal from, the panel.

2.1.8 Applicable Law

The Contract shall be governed by and construed in accordance with the laws of the Northern Territory of Australia.

2.2 INTERPRETATION OF TERMS

In these General Conditions, unless the context otherwise requires:

'Agency' means a department, agency or statutory authority of the Northern Territory of Australia.

'Common Use Contract' means a Standing Offer arrangement for the provision of Goods to all Agencies.

'Contract' means the document that constitutes or evidences the final and concluded agreement between the Principal and the Contractor concerning supply of the Goods.

'Contractor' means the Person who as party to the Contract is bound to supply the Goods in accordance with the Contract and includes that person's heirs, executors, administrators and permitted assigns and in the case of a corporate body its successors and permitted assigns.

'Date of Acceptance' means the date, which appears on the written notice, or Official Order issued by the Principal accepting the Tenderer's Tender.

'Goods' means the goods described and quantified in the Specification or Official Order which are to be provided by the Contractor in accordance with the Contract, including all variations provided for by the Contract.

'Intellectual Property' includes all copyright and neighbouring rights, and all rights in relation to inventions (including patents) registered and unregistered trademarks (including service marks), registered designs, confidential information (including trade secrets and know how) and circuit layouts, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields;

'Official Order' means an order issued on the Contractor by the Ordering Officer, whether on paper or by electronic means, which conveys the essential details of a particular supply requirement under the Contract and includes any methods of ordering the Goods specifically referred to in the Contract.

'Ordering Officer' means any person(s) who from time to time be appointed or authorised by the Principal as Ordering Officer and includes any person for the time being acting for or on behalf of the Ordering Officer. The word "the" before "Ordering Officer" in any of the Conditions of Contract does not

indicate that the same Ordering Officer exercises, in relation to a Contract, all of the functions of an Ordering Officer.

'Panel Period Contract' means Standing Offer arrangements have been entered into with more than one Contractor for the supply of Goods of the same type and nature.

'Person' means a natural person, or a corporation, partnership, joint venture, incorporated association, government, local government authority or agency.

'Principal' means the Northern Territory of Australia; the address of the Principal for service of notices is Director, Contract and Procurement Services, Department of Corporate and Information Services, GPO Box 2391, Darwin NT 0801. The Principal for Power and Water Contracts is the Power and Water Corporation.

'Request for Tender' means the document containing the Conditions of Tendering, the Conditions of Contract, the Annexure, Special Conditions of Contract (if any), Scope of Requirement, and any other document issued for the purposes of inviting tenders for the Goods.

'Schedule of Rates' means any schedule included in the Contract, which shows the respective unit rate of payment for supply of the Goods, and unless otherwise stated the unit rate shall be in Australian dollars.

'Scope of Requirement' means the statement set out in the Contract or the Official Order specifying and describing the Goods.

'Standing Offer' means the Contractor agrees to provide the Goods from time to time if and when authorised by the Ordering Officer by the issue of an Official Order. The Contractor agrees that the Principal is not obliged to order a specific number of, or any, Goods during the term of the Contract.

'sub-contractor' means a Person who provides goods and services to the Contractor.

'Unit Rate' means the rate (price) per unit of the Goods stated in the Contract or Official Order.

'Warranty Period' means the period identified in the Contract or Official Order for the specific Goods.

Where two or more persons are named as a party to this Contract, the terms, conditions and warranties of this Contract shall bind all such persons jointly and each of them severally and they shall be jointly and severally entitled to the benefits and rights conferred by this Contract.

Clause headings shall not be used in the interpretation of these Conditions.

Words in the singular include the plural and words in the plural include the singular according to the requirements of the context.

Words importing a gender include every gender.

A reference to persons includes Corporations.

2.3 SUPPLY OF GOODS BY OFFICIAL ORDER

The Contractor shall fulfil all Official Orders for Goods placed by the Ordering Officer during the currency of the Contract.

2.4 CONTRACTOR'S WARRANTY

The Contractor warrants that:

the Contractor has the right and shall transfer title to the Goods to the Principal;

- (a) the Goods shall be new and shall comply in all respects with the Specification.
- (b) the Goods shall conform to the description, model number and the sample (if any) provided by the Contractor;
- (c) the Goods have been manufactured or assembled at the place disclosed by the Contractor; and
- (d) the Goods are free from defects and conform to any legally applicable standards.

The Contractor shall, unless the Contract otherwise provides, supply at its own cost and expense everything necessary for the supply of the Goods and the proper performance of its obligations under the Contract.

The Contractor shall observe and comply with requirements of all Acts of the Commonwealth of Australia, Acts of the Northern Territory, the Northern Territory Procurement Code and with the requirements of all regulations, by-laws, orders or proclamations made or issued under any such Act and with the lawful requirements of public and other authorities in any way affecting or applicable to supply of the Goods.

2.5 PERFORMANCE PLAN

If it is stated in the Annexure that a Performance Plan is required, the Contractor will establish, document, implement and maintain a Performance Plan throughout the course of the Contract.

Within fourteen (14) days of award of Contract, the Contractor shall submit to the Ordering Officer for approval, one copy of the Performance Plan. The Ordering Officer shall within a reasonable time from receipt either approve the Performance Plan, or reject it, giving reasons for the rejection. The Contractor shall rectify the deficiencies and resubmit the Performance Plan for approval.

2.6 INDEMNITIES

The Contractor shall keep the Principal and employees or agents of the Principal indemnified against any legal liability, loss, claim, action or proceeding for personal injury to, or death of any person or for damage to any property arising from its performance under the Contract (except loss or damage caused by any negligent act, omission or default of the Principal or employees or agents of the Principal) and from any costs and expense that may be incurred in connection with any such loss, claim, action or proceeding.

The Contractor shall indemnify the Principal at all times against any compensation paid or any action, claim, demand or expense arising from or incurred by reason of the existence of any patent, design, trademark, intellectual property rights or copyright or other protected right in respect of any machine, plant, work material or thing, system or method of using, fixing, working or arrangement, used or fixed or supplied by the Contractor in connection with the performance of the Contract.

2.7 INSURANCES

2.7.1 Workers Compensation Insurance

For the purpose of this clause "worker" shall have the definition it is given in the *Work Health Act (1986)* as amended.

The Contractor shall have and maintain for the duration of the Contract appropriate Workers Compensation insurance cover for all workers employed by the Contractor. This cover shall comply with the *Work Health Act* of the Northern Territory and policies shall be purchased from Northern Territory approved insurers.

The following information shall be provided with all tenders and as requested during the currency of the Contract:

- (a) for Contractors employing workers:
 - (i) workers compensation policy number;
 - (ii) name of insurer; and
 - (iii) date of expiry.
- (b) for Contractors not employing workers:
 - (i) written advice that they are not employing nor intending to employ workers during the currency of the contract.

The Contractor shall ensure that all sub-contractors who employ workers have Workers Compensation insurance cover in accordance with the *Work Health Act (1986)* as amended.

The Contractor shall ensure that all persons employed under labour hire agreements, whether by the Contractor or through a Labour Hire Firm, are appropriately covered by Workers Compensation insurance.

Self-employed Contractors should ensure that they have adequate insurance coverage in place.

The Contractor shall be responsible for ensuring that all sub-contractors have appropriate insurance policies, and, upon request, shall provide to the Principal copies of all Certificates of Currency, including those of any sub-contractors (including self-employed Contractors and persons employed under Labour Hire Agreements).

2.7.2 Public Liability Insurance

The Contractor shall have and maintain during the currency of the Contract a Public Liability policy of insurance to cover its liabilities to third parties, including the liabilities as set out in the first paragraph of the clause titled "Indemnities".

The Policy shall:

- (a) note the Principal for its respective rights and interests;
- (b) include a cross-liability clause in which the insurer accepts the term "insured" as applying to each of the persons covered by the insurance as if a separate policy of insurance had been issued to each of them; and
- (c) be for an amount of not less than the sum stated in the Annexure, for any one occurrence.

The effecting of insurance shall not limit the liabilities or obligations of the Contractor under other provisions of the Contract.

The Contractor shall ensure that all sub-contractors take out Public Liability Insurance that meets the requirements of this clause.

2.7.3 Product Liability Insurance

The Contractor shall have and maintain during the currency of the Contract a Product Liability Insurance policy for an amount not less than that stated in the Annexure. The Contractor shall continue to maintain a Product Liability policy after the conclusion of the Contract for such period and for such amount as is necessary to indemnify the Contractor in respect of all liabilities arising out of this Contract.

The Contractor's liability to the Principal shall not be limited or otherwise affected by the terms of any such insurance policy.

2.7.4 Lodgment of Certificates of Currency

The Contractor shall, if so requested, provide the Principal with copies of Certificates of Currency and summaries of key provisions for all insurance policies required.

2.8 VARIATIONS

The Principal may direct a variation to the quantity, method, point or time of delivery of the Goods or to the character or quality of any material or work and such direction shall not invalidate the Contract. The variation shall be valued by mutual agreement between the Contractor and the Principal, or, failing agreement, by the Principal and the amount payable to the Contractor increased or decreased accordingly.

2.9 DELIVERY, ACCEPTANCE AND REJECTION

2.9.1 Delivery and Acceptance

The Contractor shall deliver the Goods to the place or places and within the time or times stated in the Official Order and shall obtain a receipt of their delivery. Title in the Goods shall pass to the Principal upon satisfactory delivery of the Goods by the Contractor in accordance with the Contract. Delivery and receipt of the Goods shall not be an acceptance of the Goods by the Ordering Officer. The Ordering Officer may reject Goods, which are not in accordance with the Contract.

Receipt of delivery, acceptance or payment shall not prejudice the right of the Principal to maintain an action for breach of condition or warranty should the Goods prove to be of inferior quality or in any respect contrary to the requirements of the Contract.

2.9.2 Rejection

Upon rejection of any Goods the Ordering Officer shall notify the Contractor and may direct that the rejected Goods be removed and replaced or rectified at the Contractor's risk and expense within such reasonable time as the Ordering Officer may direct. Should the Contractor fail to remove or rectify rejected Goods within the time directed, the Ordering Officer may have the rejected Goods re-delivered at the Contractor's risk and expense.

2.10 WARRANTY PERIOD

Without limiting any other warranty implied by statute or generally at law:

- (a) if a defect (fair wear and tear excepted) appears in the Goods within the Warranty Period the Contractor shall promptly remedy such defect by either repairing or replacing the defective Goods without cost to the Principal, and
- (b) the Contractor shall obtain for the Principal the benefit of any manufacturer's warranty.

2.11 INVOICING AND PAYMENT

For the purposes of this clause, "Tax Invoice" has the meaning given in *A New Tax System (Goods and Services Tax) Act*.

The Contractor shall provide to the Ordering Officer a Tax Invoice showing the value of the Goods delivered and accepted based on the Unit Rate. The Contractor shall provide any further details in regards to the Goods upon request by the Ordering Officer.

The Principal shall pay to the Contractor monies due within thirty (30) days of certification of satisfactory delivery by the Ordering Officer. Failure by the Principal to pay the amount payable at the due time will not be grounds to vitiate or avoid the Contract.

If the Ordering Officer disputes the invoice amount the Ordering Officer shall certify the amount it believes is due for payment, which shall be paid by the Principal and the liability of the balance of the payment shall be determined in accordance with the Contract.

The payment of monies pursuant to this clause shall not be taken as evidence against or as an admission by the Principal or the Agency that the Goods have been supplied in accordance with the Contract or the value thereof, but shall be taken to be payment on account only.

The Contractor's claim will include details of any Adjustments under clause titled "Goods and Services Tax" of the Conditions of Contract and an explanation as to how such adjustments were calculated.

2.12 DEFAULT OR BANKRUPTCY

If the Contractor fails to supply Goods as and when required by the Contract; fails in any other way to comply with the Contract; neglects or omits to carry out any direction of the Ordering Officer in respect of the Contract; intimates that they are unwilling or unable to complete the Contract; becomes insolvent or bankrupt or being a company goes into liquidation; is placed under official management or enters into a compromise or other arrangement with creditors; the Principal may by notice in writing to the Contractor, terminate the Contract. The termination shall be without prejudice to any claim by the Principal against the Contractor or any assignee or subcontractor arising out of the Contract.

If the Principal terminates the Contract in accordance with this clause, the Principal may obtain similar Goods from another source of supply. If practicable the Principal shall obtain competitive prices and any additional costs incurred by the Principal in the re-supply of the Goods shall be a debt due to the Principal by the Contractor.

Should the Principal take action pursuant to this clause then all losses, costs, charges and expenses incurred or sustained by the Principal in completing supply of the Goods will be deemed to be a debt due to the Principal by the Contractor and will be deducted from any monies that may then or may thereafter become due to the Contractor and if the monies are less than the amount so deductible the amount of the deficiency shall be a debt due by the Contractor to the Principal.

2.13 DIRECTIONS AND NOTICES

The Contractor shall comply with any direction either orally or in writing issued, given or served upon them by the Principal or Ordering Officer. Any direction given orally shall, as soon as practicable after it is given, be confirmed in writing. For the purposes of this clause the word "direction" includes any agreement, approval, authorisation, certificate, decision, demand, determination, direction, explanation, instruction, notice, notification, order, permission, rejection, request or requirement which the Principal or Ordering Officer may make, give or issue pursuant to the provisions of the Contract.

2.14 ASSIGNMENT

The Contractor shall not assign the Contract, mortgage, charge or encumber any of the monies payable under the Contract or any other benefit whatsoever arising under the Contract, without consent of the Principal. Such consent shall not be unreasonably withheld.

2.15 SUB-CONTRACTING

Should the Contractor desire to sublet any part of the Contract it shall submit to the Principal the names of the proposed sub-contractors, the nature of the Goods, which it is intended they undertake. No sub-contractor shall be employed in connection with the Contract unless such approval is first obtained. Such approval shall not be unreasonably withheld.

Any sub-contract shall be in writing and contain the provision that progress payments to the sub-contractor shall be made within fourteen (14) days after the Contractor has received payment from the Principal.

Nothing contained in the Contract shall in any way be construed as relieving the Contractor of his responsibility for the performance of the Contract according to its tenor.

2.16 CONFIDENTIALITY AND PUBLICITY

The Contractor agrees that the Contractor or its employees, agents, directors, partners, shareholders or consultants shall not disclose to any person, any confidential information or documentation relating to the Principal or the affairs of others which may have come to its or their knowledge as a result of the Contract and shall take all necessary precautions to prevent unauthorised access to such information or documentation.

The Contractor shall not divulge any information regarding the nature or progress of the Contract or give any publicity concerning the Contract except with the prior written consent of the Principal.

2.17 LOCAL CONTRACTORS AND SUPPLIERS

The Contractor shall, except in those cases where the Contractor can reasonably demonstrate to the Principal that it is impractical for commercial, technical or other reasons so to do:

- (a) use labour available within the Northern Territory; and
- (b) use the services located and obtain supplies/materials available within the Northern Territory.

The Contractor shall, when requested by the Principal, submit a written report concerning the compliance with the provisions of this clause.

2.18 SERVICE OF DOCUMENTS

Any notice in writing by the Principal, the Ordering Officer or the Contractor, sent to the address set out in the Contract, shall be deemed to have been duly received:

- (a) in the case of delivery by post, two (2) business days after the date of posting; and
- (b) in the case of facsimile transmission, on receipt by the sender of a transmission report from the despatching machine showing the relevant number of pages, the correct destination facsimile number and the result of the transaction as satisfactory.

2.19 DISPUTES

The Contractor shall, in respect of any dispute or difference arising out of the Contract and not later than fourteen (14) days after the dispute or difference arises, submit the matter at issue in writing with detailed particulars of the matter at issue to the Principal for decision and the Principal shall as soon as practicable thereafter give a decision in writing to the Contractor.

If the Contractor is dissatisfied with the decision of the Principal, the Contractor may, not later than twenty-eight (28) days after the decision is given, notify the Principal that it requires the matter to be referred for expert determination, in accordance with the expert determination process detailed in "Northern Territory of Australia - Expert Determination", a copy of which is available from the place of issue of the tender documents or from the following web address:

www.nt.gov.au/caps/conditions

If the Principal does not receive the notice requiring expert determination within the prescribed time, the Principal's decision shall not be subject to expert determination.

2.20 GOODS AND SERVICES TAX

For the purposes of this Clause unless the context otherwise requires:

- (a) **"GST"** means any tax imposed on Supply by or through the *New Tax System (Goods and Services Tax) Act 1999* ("the Act") and any related *Tax Imposition Act* and "New Tax System Changes" has the meaning it bears in the *New Tax System (Trade Practices Amendment) Act 1999* ("the TPA"). Where any other term is used in this clause which is defined in the Act or the TPA it shall have the meaning which it bears in the Act, or (if the term is not defined in the Act) then the meaning which it bears in the TPA;
- (b) **"GST Rate"** means the percentage amount of GST payable determined under section 9-70 of the Act as amended from time to time;
- (c) **"Input Tax Credit"** has the meaning it bears in the Act;
- (d) **"Recipient", "Supplier" and "Supply"** have the meaning they bear in the Act, and, in addition for the purposes of this contract shall also be read as follows:
 - "Supplier"** shall also mean Contractor;
 - "Recipient"** shall also mean Principal;
 - "Supply"** shall also mean the Goods and/or Service.
- (e) **"Adjustment"** means each form of adjustment to consideration provided for in this clause.

The parties acknowledge that the consideration under this Contract is inclusive of GST, where GST is calculated using the GST rate at the time of forming this Contract.

The Supplier shall provide the Recipient with a tax invoice and/or adjustment notes in relation to the supply prior to an amount being paid by the Recipient under this Contract, and shall do all things reasonably necessary to assist the Recipient to enable it to claim and obtain any Input Tax Credit available to it in respect of a Supply.

Where the GST rate is changed after the date of formation of this Contract the consideration under this Contract will be increased or decreased so that the consideration remains inclusive of GST, with GST calculated using the new GST Rate from the date of the change of the GST Rate that applies at the date of formation of this Contract.

2.21 VOLUNTARY TERMINATION

Either party may terminate the Contract by giving thirty (30) days written notice to the other party. Termination of the Contract under this clause shall not relieve the Principal or the Contractor of their respective rights and obligations under the Contract or any Official Order up to and including the date of any such termination.