

THE NEW YORK CITY NON-BID PURCHASE CONTRACT  
DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES  
DIVISION OF MUNICIPAL SUPPLY SERVICES  
MUNICIPAL BUILDING, NEW YORK, N.Y. 10007

PART I

GENERAL DEFINITIONS

The definitions set forth in Chapter 1, Section 1-01 of the Procurement Policy Board Rules shall apply to this Contract.

1. "Agency" is the particular department, board, bureau, office or other City subdivision organizing and supervising procurement, i.e., solely the Department of Citywide Administrative Services.
2. "Agency Chief Contracting Officer" means the position delegated authority by the Agency Head to organize and supervise the procurement activity of subordinate agency staff in conjunction with the City Chief Procurement Officer, i.e., the Agency Chief Contracting Officer of the Department of Citywide Administrative Services or a delegated representative.
3. "Agency Head" is a term referring to heads of city, county, borough, or other office, administration, department, division, bureau, board of commission, or a corporation, institution or agency of government, the expenses of which are paid in whole or in part from the City treasury, i.e., the Agency Head of the Department of Citywide Administrative Services or a delegated representative.
4. "Blanket Order" is a purchase order issued to a vendor by an agency with a "not to exceed" amount and without specific quantities and delivery dates. This enables the agency to make purchases at different times and in varying amounts from a requirement contract by means of shipping instructions, the total expenditures not to exceed the amount of the blanket order.
5. "City" is the City of New York.
6. "City Chief Procurement Officer" means the position delegated authority by the Mayor to coordinate and oversee the procurement activity of mayoral agency staff, including the Agency Chief Contracting Officers (ACCO) and any offices which have oversight responsibility for the procurement of construction, computer and computer services.

7. "Commissioner" means the Commissioner of the Department of Citywide Administrative Services of the City of New York or any Deputy or Assistant Commissioner who has been delegated authority.
8. "Comptroller" means the Comptroller of the City.
9. "Contract" includes the master agreement, these general definitions, the standard instructions, the general conditions, the special conditions, the affirmations, and the schedule of quantities and prices, the drawings and specifications, the Budget Director's Certificate when applicable, any special instructions, together with all addenda, change orders or modifications, all provisions required by law to be inserted in this Contract whether actually inserted or not, the purchase order or notice of award, any performance and payment bonds when required, and notice to proceed with work when applicable.
10. "Department" means the Department of Citywide Administrative Services, City of New York.
11. "Division" means the Division of Municipal Supply Services, Department of Citywide Administrative Services.
12. "Goods" are the subject matter of this contract and include but are not limited to, supplies, articles, commodities, equipment, materials, merchandise or wares, together with any labor, services or other work necessary for performance of the Contract.
13. "Law" or "Laws" shall include but not be limited to the New York City Charter, the New York City Administrative Code, a local law of the City of New York, and any ordinance, rule or regulation having the force of law.
14. "Schedule" is the contract schedule of quantities, prices, specifications and descriptions annexed hereto.
15. "Seller," "Supplier," "Contractor," or "Vendor" is the person, firm or corporation awarded this Contract and obligated to furnish and deliver the Goods to the City in accordance with all the terms and conditions of the Contract.
16. "Time of Performance" means the specific time or times indicated in the Contract at which or within which delivery or other performance is to be completed.

PART II  
STANDARD INSTRUCTIONS

THESE INSTRUCTIONS ARE STANDARD FOR ALL CONTRACTS FOR GOODS ISSUED BY THE DIVISION OF MUNICIPAL SUPPLY SERVICES. THE DIVISION OF MUNICIPAL SUPPLY SERVICES MAY DELETE, SUPERSEDE OR MODIFY ANY OF THESE STANDARD INSTRUCTIONS FOR A PARTICULAR CONTRACT BY INDICATING SUCH CHANGE IN THE MASTER AGREEMENT OR IN THE SCHEDULE.

1. CONTRACT - INTERPRETATION AND EXAMINATION

- 1.1 Examination of Documents. Sellers are cautioned to examine this Contract, the Schedule, and all specifications, drawings, samples and other Contract documents.

Failure on the part of Seller to examine all pertinent documents and samples shall not entitle Seller to any relief from the conditions in this Contract.

Request for Interpretation or Correction. When a Seller desires an interpretation or clarification of any ambiguity in this Contract, Seller must write to the Agency Chief Contracting Officer.

Only the written interpretation or correction given by the Agency Chief Contracting Officer is binding. Sellers are warned that no other Officer, agent or employee of the City is authorized to give information concerning, or to explain or interpret, the contract.

- 1.2 The documents, samples, and any other elements comprising this Contract are intended mutually to explain and complement one another. Any factual conflicts between or among the separate elements, any errors or omissions, or any doubt as to the requirements of this Contract shall be resolved or corrected in writing by the Agency Chief Contracting Officer. The Seller shall have no power unilaterally to make any such resolutions or corrections. Such resolutions or corrections by the Agency Chief Contracting Officer shall be final and conclusive upon the Seller. If Seller fails to bring any conflict, error, or omission to the attention of the Agency Chief Contracting Officer prior to execution of this Contract, Seller shall be deemed to have contracted to produce the goods and perform the work in the most expensive manner using only the best material and workmanship.
- 1.3 Priority of Documents in the Contract. Should there be conflicting provisions in the documents of this contract, the order of precedence shall be: (1) Master Agreement, (2) Schedule of Quantities, (3) Specifications, (4) Drawings, (5) Special Instructions, (6) General Conditions and (7) Standard Instructions. When there is a variation in the description of an item between the specification, sample, drawing, and/or catalog number, the specification will prevail.

Drawings or samples, even though approved subsequent to the award, shall not be deemed a waiver or modification of the specifications unless this Contract has been modified as provided in Section 9 of the General Conditions (Part III).

## 2. PRICES

- 2.1 Sales, Excise and Federal Transportation Taxes. Unless this Contract indicates otherwise, the City is exempt from the payment of any sales, excise or federal transportation taxes. The price, whether computed as a net unit price or based upon a trade discount from catalog list prices, must be exclusive of taxes and will be so construed. The Purchase Order may be accepted in lieu of a Sales Tax Exemption Certificate.
- 2.2 Delivery Charges. All prices must be on the basis of F.O.B. delivery point, unloaded, inside and assembled unless otherwise indicated in this Contract.
- 2.3 Containers and Reels. All containers and reels shall become the property of the City unless otherwise specified. When containers or reels are returnable, they will be returned at the Seller's expense; otherwise they will be paid for by the City at the rate agreed upon in this Contract.
- 2.4 Manufacturers' Warranties and Guaranties. Unless otherwise indicated in this Contract, the Seller shall issue or obtain all manufacturers' warranties and guaranties of all equipment and materials required by this Contract in the name of the City of New York and shall deliver same to the City.
- 2.5 Variable Quantities and Delivery Points. The quantities and delivery points set forth in the Master Agreement or in the Schedule will be subject to one of the following variations which will be indicated in the Contract:
  - (a) Type "A" Contract. The Agency Chief Contracting Officer during the term of this Contract may increase or decrease the quantity of any item or class; however, any contract increases which cumulatively exceed the greater of ten percent (10%) of the total cost of this Contract or \$100,000 must be approved in writing by the City Chief Procurement Officer. Delivery points are limited to those indicated in the Bid Book unless modified by mutual agreement of the parties.
  - (b) Type "B" Contract. The Agency Chief Contracting Officer reserves the right, during the term of this Contract, to order such quantities for such delivery points and under such conditions as may be indicated in the Master Agreement or in the Schedule.

(c) Type "C" Contract. (Requirement Contract). A requirement contract is a contract for an indefinite amount of goods to be furnished at specified times, or as ordered, that establishes unit prices, usually of a fixed price type. Generally, an approximate quantity or the best information available as to quantity is stated in the solicitation. The contract may provide a minimum quantity the City is obligated to order and may also provide for a maximum quantity provision that limits the City's obligation to order. The Agency Chief Contracting Officer, with the consent of Seller, may extend the term of this Contract up to an additional 120 days.

2.6 Proprietary Information/Trade Secrets. The Seller shall identify those portions of its bid that it deems to be confidential, proprietary information or trade secrets, and provide justification why such materials shall not be disclosed by the City. All materials the Seller desires to remain confidential shall be clearly indicated by stamping the pages on which such information appears, at the top and bottom thereof with the word "Confidential". Such materials stamped "Confidential" must be easily separable from the non-confidential sections of the bid.

All such materials so indicated shall be reviewed by the Agency and any decision not to honor a request for confidentiality shall be communicated in writing to the Seller. For those bids which are unsuccessful, all such confidential materials shall be returned to the Seller. Prices, makes and model or catalog numbers of the items offered, deliveries, and terms of payment shall be publicly available regardless of any designation of confidentiality made by the Seller.

### 3. QUALIFICATIONS

#### 3.1 Evidence of Ability.

- (a) The City reserves the right to inspect the premises where Goods are manufactured, prepared or stored. When the source of production is outside the City of New York, the Agency Chief Contracting Officer may demand the submission of evidence satisfactory to her/him that the Goods proposed for delivery are in every respect what they are represented to be.
- (b) The Seller shall, upon request, submit evidence that will prove to the satisfaction of the Agency Chief Contracting Officer that it is qualified and able to furnish the Goods and deliver them in the manner and time specified. It shall also furnish evidence that it has secured the necessary licenses, permits or certificates, required by any legislative or regulatory body having jurisdiction, to carry on the business of furnishing the Goods.
- (c) The Agency may require any Seller or prospective Seller to furnish all books of account, records, vouchers, statements or other information concerning the Seller's financial status for examination as may be required

by the Agency to ascertain Seller's responsibility and capability to perform the contract.

- (d) If the evidence required in paragraphs (a), (b) and (c) of this sub-section is not furnished, or if, upon examination of such evidence or other inspection of the plant or premises, it is found that the Seller does not comply with the requirements set forth in this Contract, the Agency Chief Contracting Officer shall have the right to cancel and terminate this Contract and/or declare the Seller in default, in addition to any other remedies provided by contract or at law or equity.

#### 4. SPECIFICATIONS AND SAMPLES

- 4.1 **Unused Goods.** Unless specifically noted in the Contract, all goods must be new and unused, however, vendors are encouraged to use secondary or recycled materials in the manufacture of products to the maximum extent practicable without jeopardizing the performance or intended end use of the product unless such use is precluded due to health and welfare or safety requirements or product specifications contained herein.
- 4.2 **Submission of Samples, Pilot Models and Drawings.** Samples and descriptive literature shall not be submitted unless expressly requested elsewhere in the contract or contract documents. Any unsolicited samples or descriptive literature which are submitted shall not be examined or tested and shall not be deemed to vary any of the provisions of this contract. When samples, pilot models or drawings are requested from the Seller or required by this Contract, they shall be delivered by the Seller, properly identified, within fifteen (15) calendar days of the request unless this Contract indicates a different time. If the Seller fails to deliver the same in a timely manner, the Agency Chief Contracting Officer shall have the right to deem the bid non-responsive or to cancel and terminate the contract.

Samples, drawings and pilot models requested by the City shall be submitted to Room 1800, Municipal Building, New York, New York 10007, unless some other place is indicated. Samples, drawings and pilot models shall be submitted free of charge.

- (a) **Samples and Pilot Models.** If in the judgment of the City the sample or model pilot submitted is not in accordance with the requirements prescribed in the specifications, the City may cancel the contract at the expense of the Seller.

A sample or pilot model may be held by the City during the entire term of the contract and for a reasonable period thereafter for comparison with deliveries. At the conclusion of the holding period the sample or pilot model shall be removed by the Seller at the Seller's expense within thirty (30) days of written request by the City. If Seller fails to remove them within the thirty (30) day period, then the sample or pilot model shall become the sole property of the City and the City shall have the right to dispose of them at no cost or liability to the City and the Seller shall have no right of action for damages or any right to an accounting therefor. The City will not be responsible for any samples or pilot models which are destroyed or damaged by examination.

- (b) Drawings and Plans. Approval by the Agency Chief Contracting Officer of drawings and/or plans of details for any Goods or installation will not relieve the Seller from its responsibility for furnishing the Goods or installation of proper dimensions, size, quantity and quality to efficiently perform the work and carry out the requirements and intent of the layout of descriptive drawings forming a part of the Contract. Such approval shall not relieve the Seller from responsibility for design or other errors of any sort in the drawings or plans.

Drawings, plans and copies thereof prepared by Seller specifically in the performance of this Contract shall be submitted to the City prior to payment and shall become the property of the City for use by the City in any manner whatsoever, without further compensation, including as specifications for future bids and contracts. Unless otherwise provided in this Contract, Seller also retains a proprietary interest in any such drawings and plans.

### PART III

#### GENERAL CONDITIONS

##### 1. PERFORMANCE

The Seller shall furnish and deliver the Goods in the manner and to the destination and within the delivery time herein specified. The Seller shall accept as full compensation therefor the sums set forth opposite the respective Goods called for in the Master Agreement or in the Schedule, which sums are amounts at which the Contract was awarded to the Seller.

## 2. TIME OF PERFORMANCE

- 2.1 Extending Time of Performance. The Time of Performance may be extended in either of the following ways:
- (a) If the performance of the Seller is delayed by an act or omission of the City, the Seller shall be allowed a reasonable extension in the Time of Performance, and no claim for the delay or damages resulting therefrom shall be made by or allowed to the Seller.
  - (b) If the performance of the Seller is delayed for any other cause beyond the control of either party, an extension of time may be granted by the Agency Chief Contracting Officer solely at his/her discretion. The Seller shall not be responsible for any delay resulting from its failure to deliver if neither the fault nor negligence of the Seller, its officers, employees or agents contributed to such delay and the delay is due directly to acts of God, wars, acts of public enemies or other similar cause beyond the control of the Seller, or to strikes, fires or floods, including strikes, fires or floods affecting its subcontractors or materialmen where no alternate source of supply is available to the Seller. Should such excusable delay inconvenience the City by creating an emergency thus necessitating the purchase of the Goods involved elsewhere, which necessity shall be conclusively determined by the Agency Chief Contracting Officer, the Agency Chief Contracting Officer shall have the right to purchase such Goods elsewhere without liability to the Seller. To the extent such purchases are made, the City shall be relieved of the obligation to purchase the Goods from the Seller and the Seller shall be relieved of the obligation to furnish such Goods to the City.
- 2.2 Application. Upon written application by the contractor, the Agency Chief Contracting Officer may grant an extension of time for performance of the contract. Said application must state, at a minimum, in detail, each cause for delay, the date the cause of the alleged delay occurred, and the total number of delay in days attributable to such cause. The ruling of the Agency Chief Contracting Officer shall be final and binding as to the allowance of an extension and the number of days allowed.
- 2.3 Non-Waiver. The delivery and acceptance of any Goods after the Time of Performance shall not be deemed a waiver of the right of the Agency Chief Contracting Officer to terminate this Contract or to require the delivery of any undelivered Goods in accordance with this Contract or of any other remedy whether contractual or otherwise stated in law or in equity.

### 3. TERMS AND CONDITIONS OF PERFORMANCE

- 3.1 **Competent Workers.** The Seller shall employ only competent workers in the performance of this Contract. The Seller's performance of this Contract, or of any other work, shall not cause or result in a suspension of, delay in, or strike upon the work to be performed hereunder by any of the trades working hereon or on any other contracts with the City. If, in the opinion of the Agency Chief Contracting Officer, the Seller violates such obligation, the Agency Chief Contracting Officer, in his/her sole discretion and at his/her option, may either demand that any incompetent workers be replaced and not again employed in the performance of this Contract, which demand shall be complied with by the Seller, or s/he may, upon notification to the Seller, consider the Seller in default.
- 3.2 **Unsatisfactory Performance.** If, in the opinion of the Agency Chief Contracting Officer, either the Seller's performance is unsatisfactory or is not being carried out with due diligence, the Seller shall immediately remedy such performance. Failure of the Seller to so conform will be deemed a material breach of this Contract.
- 3.3 **Substitution of Goods.** In the event a specified manufacturer's commodity listed in the Contract becomes unavailable or cannot be supplied to the City by the Seller for any reason (except as provided for in 2.1(b) above) a product deemed by the Agency Chief Contracting Officer to be the equal of the specified commodity must be substituted by the Seller at no additional cost or expense to the City.
- 3.4 **Purchase Order Binding When Mailed.** Unless terminated or cancelled by the Agency Chief Contracting Officer pursuant to the authority vested in him/her, purchase orders shall be effective and binding upon the Seller when placed in the mail prior to the termination of the contract period, addressed to the Seller at the address shown on the award.
- 3.5 **Termination or Suspension of Contract.** Where the Agency Chief Contracting Officer deems it to be in the interest of the City, the Agency Chief Contracting Officer may terminate or suspend the performance of this Contract in whole or in part, for the convenience of the City.

### 4. DELIVERY

- 4.1 **Notice to Seller to Deliver.** No delivery shall become due or be acceptable without a written order or shipping instruction by the City, unless otherwise provided in this Contract. Such order or shipping instruction will contain the quantity, time of delivery and other pertinent data. However, on items urgently required, the Seller may be given telephone notice, to be confirmed by an order in writing. If an urgent delivery is required within a shorter period than the delivery time specified in this Contract and if the Seller is unable to comply therewith, the

Agency Chief Contracting Officer reserves the right to obtain such delivery from others without penalty or prejudice to the City or to the Seller.

- 4.2 Delivery Time. Unless otherwise stipulated in this Contract, delivery shall be made between 9 a.m. and 4 p.m., Monday to Friday inclusive. However, on Goods required for daily consumption, or where the delivery is an emergency, a replacement, or is overdue, the convenience of the Agency and the City's inspector shall govern. If, in calculating the number of days from the order date, the delivery date falls on a Saturday, Sunday or holiday, delivery shall be made not later than the next succeeding business day.
- 4.3 Seller's Advice of Manufacture or Delivery. The Seller shall notify the Agency at least twenty-four (24) hours in advance of delivery.

## 5. INSPECTION

- 5.1 Right to Inspect. The City shall have the right to inspect the Goods at the point or points of delivery. The City reserves the right to make additional inspection(s) at the plant of the manufacturer, packer or Seller or its supplier(s), provided the City bears the expense of all travel and lodging associated therewith. The exercise by the City of the right of inspection shall in no way be deemed a waiver by the City of any right later to reject, revoke acceptance, or recover damages for Goods accepted which are not in fact free from patent or latent defects, or of the Seller's obligation to deliver conforming Goods.
- 5.2 Removal of Non-Conforming Goods. The Seller shall remove any non-conforming Goods or part thereof at Seller's own expense within a reasonable time not to exceed thirty (30) days after notification of any rejection or revocation of acceptance. The City shall have the right to dispose of rejected Goods left longer than thirty (30) days at no cost or liability to the City and the Seller shall have no right of action for damages or any right to an accounting therefor.
- 5.3 No Obligation to Minimize Seller Damage. The City shall be under no obligation to sell or resell any rejected Goods, whether perishable or non-perishable or whether or not such Goods are threatened to or do depreciate in value, in order to minimize the Seller's damages.
- 5.4 Costs of Additional Inspections. The Seller shall bear the reasonable cost of all further inspections required by reason of any rejection or revocation of acceptance.
- 5.5 Risk of Loss. Title and risk of loss shall not pass from the Seller to the City until the Goods have been received by the ordering Agency and accepted by the City. Mere acknowledgment by Agency personnel of the delivery or receipt of goods (as in a signed bill of lading) shall not be deemed or construed as acceptance of

the Goods received. The Seller bears the risk of loss of all Goods until inspected and accepted; if acceptance is revoked the Seller bears the risk of loss thereafter.

- 5.6 Right to Cure. Any right of the Seller to "cure," as defined in the New York Uniform Commercial Code, shall be employed by the Seller within a reasonable time. Such reasonable time as determined by the Agency Chief Contracting Officer shall be conclusive on the Seller.

## 6. NON-DELIVERY AND REJECTIONS

- 6.1 Rejected Goods. The City may withhold or revoke acceptance of or reject any Goods which are found, upon examination, not to conform to the terms of this Contract. With respect to food and drugs, no written notice of rejection need be given, whereas in all other instances such notice will be in writing.
- 6.2 Labels. All Goods which are customarily labeled or identified must have securely affixed thereto the original unmutilated label or marking of the manufacturer. Failure to comply with this requirement may be considered sufficient cause for rejection.

When a label or marking is required by any regulatory agency, it must be affixed to all Goods delivered under this Contract.

- 6.3 Health Regulations. Any food, drug or other Goods which are found to be unwholesome or otherwise unfit for human consumption or use, shall not be removed by the Seller until examined by the appropriate public authorities. If condemned, such Goods shall be disposed of by the Seller in accordance with the rules and regulations of the appropriate public authorities.

Should the Seller fail to make disposal within twenty-four (24) hours after appropriate orders to do so, the City may make such disposal and charge the Seller for the cost involved.

- 6.4 Liquidated Damages - Delayed or Defaulted Deliveries.
- (a) It is not the intention of the City to assess liquidated damages unless they are specifically provided for in this Contract.
- (b) Where the "Cover" provision of subsection 6.5 hereinbelow is invoked, the liquidated damages will be assessed as provided therein and will be calculated from the original delivery due date to the date delivery is due from the new Seller.

6.5 Cover (Buying Against Contract).

- (a) If the Seller fails to perform in accordance with this Contract, the Agency Chief Contracting Officer may obtain such Goods or any part thereof from other sources with or without public letting, as s/he may deem advisable, and, with no obligation to Seller to mitigate damages. If the price paid in obtaining the goods from other sources is greater than this Contract's price, the difference, plus the reletting cost and the liquidated damages, if any, will be charged against the Seller. If such price is less, the Seller shall have no claim to the difference, but the reletting cost and the liquidated damages will become charges against the Seller.
- (b) The reletting cost is hereby determined to be one hundred (\$100) dollars for each order, unless a contract readvertisement is necessary, in which case it is determined to be two hundred and fifty dollars (\$250).

6.6 Collection of Charges. All charges becoming due under the provisions of subsection 6.4 hereinabove "Liquidated Damages - Delayed or Defaulted Deliveries" and subsection 6.5 hereinabove "Cover" shall be deducted from current obligations that are due or may become due to the Seller. In the event that collection is not made as provided above, the Seller shall pay to the City on demand the amount of such charges.

7. PAYMENTS

7.1 Weights and Measures. All weights and measures called for shall be net and shall be determined at the point of delivery unless the Contract indicates otherwise.

7.2 Payment

- (a) It is the policy of the City to process contract payments efficiently and expeditiously to assume payment in a timely manner to firms and organizations who do business with the City.
- (b) Payments will be made for the net number of conforming units accepted at the price bid per unit. Proper invoices, when submitted, will be payable within thirty (30) days after either receipt of invoice(s) or acceptance of the Goods, whichever date is later. When periodic deliveries are made during the month, such invoices will be payable within thirty (30) days after either the end of the month or the receipt of invoices or acceptance of the Goods, whichever date is latest.

- (c) If public necessity requires the use of any Goods which are subsequently found not to comply with the specification requirements, and if no definite deductions are prescribed, the City will make such deductions as it shall determine to be reasonable.
- (d) In any case where a question of non-performance of a contract arises, payment may be withheld in whole or in part at the discretion of the Agency Chief Contracting Officer. Should the amount withheld be finally paid, a cash discount for prompt payment originally offered may be taken by the City as if no delay in payment had occurred.
- (e) Any claim by or on behalf of the City against the Seller may be deducted by the City from any money due the Seller. If no such deduction or only a partial deduction is made in such fashion the Seller shall pay to the City the amount of such claim or the portion of the claim still outstanding, on demand.

### 7.3 Prompt Payment

The Prompt Payment provisions set forth in Chapter 4, Section 4-06 of the Procurement Policy Board Rules in effect at the time of this solicitation will be applicable to payments made under this contract. The provisions require the payment to contractors of interest on payments made after the required payment date except as set forth in subdivisions c(3) and d(3), (4), (5) and (6) of Section 4-06 of the Rules.

The contractor must submit a proper invoice to receive payment, except where the contract provides that the contractor will be paid at predetermined intervals without having to submit an invoice for each scheduled payment.

Determinations of interest due will be made in accordance with the provisions of Section 4-06 of the Procurement Policy Board Rules and General Municipal Law §3-a.

Pursuant to the Prompt Payment provisions of the Procurement Policy Board Rules, the Division may designate this contract and the items specified herein as subject to a longer acceptance period to afford a practicable opportunity for testing, installation and inspection. For purposes of vendor payment in such case, the actual date of acceptance by the Division's Bureau of Quality Assurance shall substitute for the Invoice Received/Acceptance Date (IRA Date).

### 7.4 Electronic Funds Transfer

In accordance with Section 6-107.1 of the New York City Administrative Code, the Contractor agrees to accept payments under this Agreement from the City by

electronic funds transfer. An electronic funds transfer is any transfer of funds, other than a transaction originated by check, draft or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument or computer or magnetic tape so as to order, instruct or authorize a financial institution to debit or credit an account. Prior to the first payment made under this Agreement, Contractor shall designate one financial institution or other authorized payment agent and shall complete the attached "EFT Vendor Payment Enrollment Form" in order to provide the Commissioner of Finance with information necessary for Contractor to receive electronic funds transfer payments through the designated financial institution or authorized payment agent. The crediting of the amount of a payment to the appropriate account on the books of a financial institution or other authorized payment agent designated by the Contractor shall constitute full satisfaction by the City for the amount of the payment under this agreement. The account information supplied by the Contractor to facilitate the electronic funds transfer shall remain confidential to the fullest extent provided by law.

The EFT Vendor Payment Enrollment Form is available for download at:  
[https://www.nyc.gov/html/dof/html/contact/contact\\_app\\_emailach.shtml](https://www.nyc.gov/html/dof/html/contact/contact_app_emailach.shtml)

## 8. FINAL PAYMENT-ESTOPPEL

- 8.1 Acceptance by Seller is Release. Except for the Seller's right to claim any sums retained by the City under the maintenance or guarantee provisions of this Contract, the acceptance by the Seller, or any person claiming under Seller, of the final payment, whether such payment be made pursuant to any order or judgment of any Court or otherwise, shall constitute and operate as a release to the City from all claims of and liability to the Seller, its representatives or assigns for anything theretofore done or furnished for or relating to or arising out of this Contract and the work done hereunder, and for any prior act, omission, neglect or default on the part of the City or any of its officers, agents or employees.
- 8.2 No Interest Allowed. No interest shall be allowed on the amount certified, or audited, by the City as the final payment or on any part thereof which the City is ready and willing to pay, except as provided in subsection 7.3 hereinabove.
- 8.3 City Not Estopped. Neither the City, nor any department, or officer or employee thereof, shall be precluded or estopped by any return or certificate made or given by any officer, inspector, employee, agent or appointee of the City, or under any provision of this Contract, from showing at any time, either before or after the complete performance and acceptance of the performance of this Contract and the last payment hereunder, the actual quantity and nature of the Goods delivered by the Seller, or any person under this Contract; or from showing at any time that any certificate upon which the payment is made for any or all of the Goods is untrue or incorrect, or improperly made in any particular, or that the Goods or any part

thereof delivered by the Seller do not conform to this Contract. The City shall have the right to demand and recover from the Seller such damages as it may suffer by reason of Seller's failure to comply with this Contract notwithstanding any return or certificate and payment in accordance therewith, signed by any official of the City, and such right of the City shall include recovery for any payment made for any or all of the Goods delivered and accepted.

- 8.4 Statement of Claim. Seller, however, shall not be barred from commencing an action for breach of contract under this provision provided that a detailed and verified statement of claim is served upon the contracting agency and Comptroller not later than forty (40) days after the mailing of such final payment. The statement shall specify the items upon which the claim will be based and any such claim shall be limited to such items. Should the provisions of this subsection conflict with those of Section 12, the provisions of Section 12 shall control.

## 9. MODIFICATION

- 9.1 Waiver. Waiver by the Department of a breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless and until the same shall be agreed to in writing by the City as required and attached to the original Contract.
- 9.2 Contract Changes. Changes may be made to this contract only as duly authorized by the Agency Chief Contracting Officer or his or her designee. Vendors deviating from the requirements of an original purchase order or contract without a duly approved change order document, or written contract modification or amendment, do so at their own risk. All such changes, modifications and amendments will become a part of the original contract.

Contract changes will be made only for work necessary to complete the work included in the original scope of the contract, and for non-material changes to the scope of the contract. Changes are not permitted for any material alteration in the scope of work. Contract changes may include any contract revision deemed necessary by the Contracting Officer.

The contractor shall be entitled to a price adjustment for extra work performed pursuant to a written change order. If any part of the contract work is necessarily delayed by a change order, the contractor will be entitled to an extension of time for performance. Adjustments to price shall be computed in one or more of the following ways: (i) by agreement of a fixed price; (ii) by unit prices specified in the contract; (iii) by time and material record; and/or (iv) in any other manner approved by the City Chief Procurement Officer.

Where the cost of the change order has been negotiated in the absence of

established cost history, the costs are subject to verification by post audit. If the post-audit reveals that the contractor's costs for the change order work were inaccurately stated during negotiations, the agency shall recoup the amount by which the costs were inaccurately stated by proportionately reducing the price of the change order. This remedy is not exclusive and in addition to all other rights and remedies of the City.

Except in the case of requirements contracts, any contract increases which cumulatively exceed the greater of 10% or \$100,000 must be approved in writing by the City Chief Procurement Officer. Any contract amendment which either amends a unit price, cancels required units, or adds a new type of unit item to contract must be approved in writing by the Agency Chief Contracting Officer.

9.3 Price Adjustments for Type "C" Requirement Contracts. Where a requirement contract contains price adjustment provisions, contract changes shall be made in accordance with those provisions. Where no price adjustment provisions are specified, the City may seek a price decrease where there is evidence that market pricing is lower than contract pricing. If a vendor does not agree to the price adjustment, in addition to any other remedy of the City under this contract, the City may terminate the contract with ninety (90) days' written notice.

9.4 Pricing.

- A. The Contractor shall whenever requested by the Commissioner during the contract, including but not limited to the time of bidding, submit cost or pricing data and formally certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a specified date. The contractor shall be required to keep its submission of cost and pricing data current until the contract has been completed.
- B. The price of any change order, or contract modification subject to the conditions of paragraph A, shall be adjusted to exclude any significant sums by which the City finds that such price was based on cost or price data furnished by the supplier which was inaccurate, incomplete, or not current as of the date agreed upon between the parties.
- C. Time of Certification. The Contractor must certify that the cost or pricing date submitted are accurate, complete, and current as of a mutually determined date.
- D. Refusal to Submit Data. When any Contractor refuses to submit the required data to support a price, the Contracting Officer shall not allow the price.
- E. If the City finds that a price or cost reduction should be made, the

Contractor agrees not to raise the following matters as a defense:

(a) The Contractor was a sole source supplier or otherwise in a superior bargaining position and thus the price of the Contract would not have been modified even if accurate, complete and current cost or pricing data had been submitted;

(b) The City should have known that the cost or pricing data in issue were defective even though the contractor took no affirmative action to bring the character of the data to the attention of the City;

(c) The Contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.

## 10. ASSIGNMENT

10.1 Written Consent Required. The Seller shall not assign, transfer, convey, sublet or in any other way dispose of this Contract or any part thereof, or assign any of the monies due or to become due under the Contract, without previous written consent of the Agency Chief Contracting Officer endorsed upon or attached to copies of this Contract. Any such assignment, transfer, conveyance or other disposition without such consent shall be void.

10.2 Contract Voidable. If the Seller shall, without the previous written consent of the Agency Chief Contracting Officer, assign, transfer, convey, sublet or otherwise dispose of this Contract to any person, firm or corporation, this Contract may be revoked and annulled and be held void at the sole discretion of the Agency Chief Contracting Officer, and the City shall thereupon be relieved and discharged from any and all liabilities and obligations to the Seller growing out of this Contract, and to its assignee or transferee; provided that nothing herein contained shall be construed to hinder, prevent, or affect an assignment by the Seller for the benefit of its creditors made pursuant to the statutes of the State of New York.

## 11. COMPLIANCE WITH LAWS AND INDEMNIFICATION

11.1 Compliance with Laws. The Seller shall comply with all local, State and Federal laws, and rules and regulations.

11.2 This Contract is subject to applicable provisions of Federal, State and Local Laws and Executive Orders requiring affirmative action and equal employment opportunity.

11.3 Safe Working Conditions. The Seller shall maintain safe working conditions during the performance of this Contract. Failure to maintain such conditions

constitutes a breach of a material provision of this Contract.

- 11.4 Seller Indemnification. The Seller shall defend, indemnify and hold the City, its officers and employees harmless from any and all claims (even if the allegations of the lawsuit are without merit) or judgments for damages on account of any injuries or death to any person or damage to any property and from costs and expenses to which the City, its officers and employees may be subjected or which it may suffer or incur allegedly arising out of or in connection with any operations of the Seller and/or its subcontractors to the extent resulting from any negligent act of commission or omission, any intentional tortious act, or failure to comply with the provisions of this Contract or of the laws. Insofar as the facts or law relating to any claim would preclude the City from being completely indemnified by the Seller, the City shall be partially indemnified by the Seller to the fullest extent permitted by law.

## 12. PERIOD OF LIMITATION

No action shall lie or be maintained against the City upon any claim arising out of this Contract unless such action be commenced within one (1) year from acceptance of final payment, termination of contract or accrual of cause of action, whichever is earlier.

## 13. INFRINGEMENT - VENDOR WARRANTY

The Seller shall deliver the Goods specified free from the claim of any third party by way of infringement including but not limited to patent, copyright, trade secrets, or the like. The execution of this Contract is deemed to be a warranty by the Seller that Seller has inspected the specifications and has determined that no claim of any third party by way of infringement or otherwise will result from compliance with the specifications. The Seller shall indemnify and hold the City harmless against any such claim regardless of whether or not the infringement arises out of compliance with the specifications. The City may retain any funds due or to become due to the Seller sufficient to meet all claims arising from such infringements. The sufficiency of such amount shall be conclusively determined by the Comptroller.

## 14. AUDIT BY THE DEPARTMENT, AGENCY AND CITY

- 14.1 Invoices Subject to Audit. All vouchers or invoices presented for payment to be made hereunder, and the books, records and accounts upon which said vouchers or invoices are based, are subject to audit by the Department, Agency and the Comptroller of the City of New York pursuant to the powers and responsibilities as conferred by the New York City Charter and Administrative Code of the City of New York, as well as all orders and regulations promulgated pursuant thereto.
- 14.2 Submission of Records. The Seller shall submit any and all documentation and justification in support of expenditures or fees under this Contract as may be

required by the Department, Agency and the Comptroller so that they may evaluate the reasonableness of the charges and shall make its records pertaining to this Contract available to the Department, Agency and the Comptroller as they consider necessary.

- 14.3 Final Payment. The Seller shall not be entitled to final payment under this Contract until all requirements have been satisfactorily met.

## 15. DEFAULT

Agency Chief Contracting Officer's Right to Declare Seller in Default. In addition to any other remedy provided to the City pursuant to this Contract, the Agency Chief Contracting Officer shall have the right to declare the Seller in default if Seller fails to provide the Goods in accordance with any provisions of the contract, including but not limited to the specifications, the delivery schedule, or other conditions of performance.

## 16. REGISTRATION OF CONTRACTS

16.1 Office of Comptroller. With the exception of a requirement contract, this Contract shall not be binding or of any force unless it has been registered on the books of the Office of the Comptroller and the Comptroller has indicated that there remains unexpended and unapplied a balance of the appropriation or fund applicable hereto sufficient to pay the estimated expense of performing this Contract.

16.2 Requirement Contract. All requirement contracts shall be registered with the Comptroller.

## 17. COMMUNICATIONS

All communications addressed to the Seller and delivered at Seller's residence or place of business as given in this Contract, or deposited so addressed in a postpaid wrapper in any post office regularly maintained by the Post Office Department, shall be sufficient service thereof upon the Seller for the purposes of this Contract. The place so designated may be changed only by a writing executed and acknowledged by the Seller and delivered to the Agency Chief Contracting Officer. Personal service of communications upon the Seller shall not be precluded or rendered inoperative by any provision of this Contract.

## 18. INCREASE OR REDUCTION OF QUANTITIES

The unit prices shall not vary notwithstanding any increase or reduction in the quantities to be delivered hereunder, and no claims for damages shall be made by or allowed to the Seller by reason of such increase or reduction, except that when a trade discount is based on quantities or totals, prices will vary in accordance with the trade discounts, on which basis the Contract was awarded, or unless otherwise authorized by the Contract.

## 19. APPROVALS AND CERTIFICATIONS

19.1 Approvals. This Contract shall be neither binding nor effective unless:

- (a) Approved by the Mayor pursuant to the provisions of Executive Order No. 42, dated October 9, 1975, in the event the Executive Order requires such approval;
- (b) Certified by the Mayor (Mayor's Fiscal Committee created pursuant to Executive Order No. 43 dated October 14, 1975) that performance thereof will be in accordance with the City's financial plan, if required;

19.2 Approvals Not in Lieu of Other Requirements.

The requirements of this Section of this Contract shall be in addition to, and not in lieu of, any approval or authorization otherwise required for this Contract to be effective and for the expenditure of City Funds.

## 20. ANTITRUST

The Seller hereby assigns, sells, and transfers to the City all right, title and interest in and to any claims and causes of action arising under the antitrust laws of the State of New York or of the United States relating to the particular Goods or services purchased or procured by the City under this Contract.

## 21. SEVERABILITY AND HEADINGS

The clauses and provisions of this Contract are intended to be severable. The unconstitutionality or unconscionability of any term, clause or provision shall in no way defeat the effect of any other term, clause or provision.

Section and other headings are inserted for convenience only and shall not be used in any way to construe the terms of this Contract.

## 22. CONFLICT OF LAWS

All disputes which involve this Contract shall be governed by the laws of the State of New York.

## 23. CHOICE OF LAW, CONSENT TO JURISDICTION AND VENUE

23.1 Law of New York State. This Contract shall be deemed to be executed in the City of New York, State of New York, regardless of the domicile of the Seller, and shall be governed by and construed in accordance with the laws of the State of

New York.

23.2 Venue in City. The parties agree that any and all claims asserted by or against the City arising under this Contract or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this agreement and intent, the Seller agrees:

- (a) If the City initiates any action against the Seller in Federal Court or in New York State Court, service of process may be made on the Seller either in person, wherever the Seller may be found, or by registered mail addressed to the Seller at its address as set forth in this Contract, or to such other address as the Seller may provide to the City in writing in accordance with this Contract.
- (b) A summons in any action arising out of this Contract may issue from any Court of the State of New York having jurisdiction of the subject matter and service of the summons and complaint against the Seller, served as herein provided, shall be deemed personal service upon the Seller within the State of New York if a copy of each is sent by certified mail addressed to the Seller at the place stated in this Contract, or if such address has been changed pursuant to Section 18, to such changed address.
- (c) Within thirty (30) days after the date of mailing, a copy of the summons and complaint shall be filed with the clerk of the Court in which the action is pending, along with the mailing receipt issued by the Post Office or the affidavit of any officer or employee of the City showing that the summons and complaint were mailed as herein provided. Service shall be complete ten (10) days after such papers are filed.
- (d) With respect to any action between the City and the Seller in New York State Court, the Seller hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens; (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.
- (e) With respect to any action between the City and the Seller in Federal Court located in New York City, the Seller expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York.
- (f) If the Seller commences any action against the City in a court located other than in the City and State of New York, upon request of the City, the Seller shall either consent to a transfer of the action to a court of

competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, the Seller shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

- 23.3 Unenforceable Provision. If any provision(s) of this Section is (are) held unenforceable for any reason, each and all other provision(s) shall nevertheless remain in full force and effect.

24. EMERGENCY

- 24.1 Suspension or Termination. Whenever, in the opinion of the Agency Chief Contracting Officer, an emergency situation arises during the performance of this Contract, the Agency Chief Contracting Officer may either suspend or terminate this Contract in whole or in part without liability being incurred by either the City or the Seller.
- 24.2 Right to Purchase Goods. Pursuant to such decision by the Agency Chief Contracting Officer, where this Contract is terminated in whole or in part, the Agency Chief Contracting Officer may purchase such Goods the delivery of which has been cancelled (in replacement for those called for in this Contract).

25. VENDOR INTEGRITY

The Seller agrees that in the event the Seller or any of its principals or officers are indicted for or otherwise charged with any crime or become the subject of any anti-trust action related to the conduct of the business of the Seller or the award of or performance under any contract or agreement with a government entity or if any supervisory employee of the Seller is indicted based upon facts arising out of the award of or affecting performance under this Contract then the Agency Chief Contracting Officer, in his/her sole discretion, may terminate this Contract by notifying Seller, in writing. In the event of termination of this Contract, the Seller shall not be entitled to any damages or payments for Goods not delivered by date of termination.

26. VENDOR GUARANTEE

The Seller guarantees that the equipment offered is standard new equipment, current model of regular stock product with all parts regularly used with the type of equipment offered; also that no attachment or part has been substituted or applied contrary to the manufacturer's recommendations and standard practice. Every unit, including any substituted or replacement unit delivered, must be guaranteed against faulty material and workmanship for a period of one year from and after the date the unit is accepted unless otherwise specified. Notwithstanding the foregoing, when the manufacturer's standard guarantee for the unit or any component thereof exceeds one year, the longer guarantee

period shall apply to such unit or component thereof delivered under the City's contract. Furthermore, the Seller agrees to extend its warranty period with regard to any unit delivered by the cumulative periods of time, after notification, during which the unit requires servicing or replacement (down time) or is in the possession of the Seller, its agents, officers or employees. If during the regular or extended warranty periods faults develop, the Seller shall promptly repair or upon demand, replace the defective unit or component part affected. All costs for labor and material and transportation incurred to repair or replace defective goods during the warranty periods shall be borne solely by the Seller, and the City shall in no event be liable or responsible therefor. In the event of failure on the part of the Seller to replace or put in first-class condition any such equipment within thirty (30) calendar days from date of notice the City may have the work done by others and offset the cost against money due, or that may become due to the Seller, or if there be no money due, the Seller agrees to pay the City such cost.

27. NO CLAIM AGAINST OFFICERS, AGENTS OR EMPLOYEES

No claim whatsoever shall be made by the Seller against any officer, agent or employee of the City for, or on account of, anything done or omitted in connection with this Contract.

28. FUND AVAILABILITY

All contracts awarded by the Agency Chief Contracting Officer shall be executory only to the extent of funds available to each Agency for the purchase of the Goods.

29. ENTIRE AGREEMENT

The written Contract contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.

PART IV  
SPECIAL CONDITIONS

1. NONDISCRIMINATION

1.1 Executive Order No. 50 (1980). This Contract is subject to the requirements of New York City Charter Chapter 56, §§1305 et seq. ("Chapter 56"), Executive Order No. 50 (April 25, 1980) ("E.O. 50"), and the Rules and Regulations promulgated thereunder. No contract will be awarded unless and until these requirements have been complied with in their entirety. By signing this Contract, the Seller agrees that it:

- (a) will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or citizenship status, with respect to all employment decisions including, but not limited to recruitment, hiring, upgrading, demotion, downgrading, transfer, training, rates of pay or other forms of compensation, layoff, termination, and all other terms and conditions of employment;
- (b) will not discriminate in the selection of subcontractors on the basis of the owners' partners' or shareholders' race, color, creed, national origin, sex, age, disability, marital status, sexual orientation, or citizenship status;
- (c) will state in all solicitations or advertisements for employees placed by or on behalf of the Seller that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, age, disability, marital status sexual orientation or citizenship status or that it is an equal opportunity employer;
- (d) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or memorandum of understanding, written notification of its equal employment opportunity commitments under Chapter 56 and E.O. 50 and the rules and regulations promulgated thereunder; and
- (e) will furnish before the contract is awarded all information and reports, including an Employment Report, which are required by Chapter 56, E.O. 50, the rules and regulations promulgated thereunder, and orders of the Director of the Division of Labor Services ("DLS"). Copies of all required reports are available upon request from the contracting agency; and
- (f) will permit DLS to have access to all relevant books, records and accounts for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (g) Seller understands that in the event of its noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, such noncompliance shall constitute a material breach of this Contract and noncompliance with Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder. After a hearing held pursuant to the rules of DLS, the Director may direct the imposition by the contracting agency head of any or all of the following sanctions:
  - (i) disapproval of the Seller;
  - (ii) suspension or termination of all or parts of this Contract and/or of payments therefor;

- (iii) declaring the Seller in default; or
  - (iv) in lieu of any of the foregoing sanctions, the Director may impose an employment program.
- (h) The Director of DLS may recommend to the contracting agency head that a seller who has repeatedly failed to comply with Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder be declared nonresponsible.
- (i) The Seller agrees to include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$100,000 to which it becomes a party unless exempted by Chapter 56, E.O. 50, and the rules and regulations promulgated thereunder, so that such provisions will be binding upon each subcontractor or vendor. The Seller will take such action with respect to any subcontract or purchase order as may be directed by the Director of the Division of Labor Services as a means of enforcing such provisions including sanctions for noncompliance.
- (j) The Seller further agrees that it will refrain from entering into any contract or contract modification subject to Chapter 56, E.O. 50, and the rules and regulations promulgated thereunder with a subcontractor who is not in compliance with the requirements of Chapter 56, E.O. 50 and the rules and regulations promulgated thereunder.

#### 1.2 New York Labor Law Section 220-e:

- (a) In the hiring of employees for the performance of work under this Contract or any subcontract hereunder, neither the Seller, subcontractor, nor any person acting on behalf of the Seller or subcontractor shall by reason of race, creed, color, disability, sex or national origin discriminate against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates;
- (b) Neither the Seller, subcontractor, nor any person acting on his behalf shall in any manner discriminate against or intimidate any employee hired for the performance of work under this Contract on account of race, creed, color, disability, sex or national origin;
- (c) There may be deducted from the amount payable to the Seller by the City under this Contract a penalty of fifty (50) dollars for each person for each calendar day during which such person was discriminated against or intimidated in violation of the provisions of this Contract; and
- (d) This Contract may be cancelled or terminated by the City and all monies due or to become due hereunder may be forfeited for a second or any

subsequent violation of the terms or conditions of this subsection of this Contract.

- (e) The aforesaid provisions of this subsection covering every contract for or on behalf of the State or a municipality for the manufacture, sale or distribution of materials, equipment or supplies shall be limited to operations performed within the territorial limits of the State of New York.

### 1.3 New York City Administrative Code Section 6-108:

- (a) It shall be unlawful for any person engaged in the construction, alteration or repair of buildings or engaged in the construction or repair of streets or highways pursuant to a contract with the City or engaged in the manufacture, sale or distribution of Goods pursuant to a contract with the City to refuse to employ or to refuse to continue in any employment any person on account of the race, color or creed of such person.
- (b) It shall be unlawful for any person or any servant, agent or employee of any person described in subdivision (a) above to ask, indicate or transmit, orally or in writing, directly or indirectly, the race, color, creed or religious affiliation of any person employed or seeking employment from such person, firm or corporation.
- (c) Disobedience of the foregoing provisions shall be deemed a violation of a material provision of this Contract.
- (d) Any person, or employee, manager or owner of or officer of a firm or corporation who shall violate any of the provisions of this subsection shall, upon conviction thereof, be punished by a fine of not more than one hundred (\$100) dollars or by imprisonment for not more than thirty (30) days, or both.

## 2. LABOR LAW REQUIREMENTS

### 2.1 Section 6-109 of the Administrative Code of The City of New York.

- (a) Section 6-109(a).
  - (i) Except for those employees whose minimum wage is required to be fixed by Section 220 of the Labor Law of the State of New York, all persons employed by the Seller and any subcontractor in the manufacture or furnishing of supplies, materials or equipment, or the furnishing of work, labor or services used in the performance of this Contract will be paid, without subsequent deduction or rebate unless expressly authorized by law, not less than the sum mandated by law.

- (ii) No part of the work, labor or services will be performed or rendered by the Seller in any plants, factories, buildings or surroundings or under working conditions which are unsanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of this Contract. Compliance with the safety, sanitary and factory inspection laws of the state in which the work is to be performed shall be prima facie evidence of compliance with this paragraph.
  
- (iii) For any breach or violation of any of the representations and stipulations required in any Contract under the provisions of this subsection, the party responsible therefor shall be liable to the City for liquidated damages, which may be withheld from any amounts due on any such Contracts or may be recovered in suits brought by the Corporation Counsel in the name of the City, in addition to damages for any other breach of such Contract, a sum equal to the amount of any underpayment of wages due to any employee engaged in the performance of such Contract. In addition, the Division of Municipal Supplies or any other agency entering into such Contract shall have the right to cancel the Contract for any violation of this subsection and enter into other contracts for the completion of the original Contract, charging any additional cost to the original Seller. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages in violation of the provisions of this subsection shall be held in a special deposit account and shall be paid without interest, on order of the Executive Director for Economic Development, directly to the employees who have been paid less than minimum rates of pay as set forth in such Contracts and on whose account such sums were withheld or recovered, provided that no claims by employees for such payments shall be entertained unless made within one year from the date of actual notice to the Seller of the withholding or recovery of such sums by the City.

(b) Section 6-109(b).

The provisions of subdivision (a) of section 6-109 shall not apply to contracts for the furnishing or purchase of agricultural or farm products processed for first sale by the original producers; nor shall subdivision (a) of section 6-109 apply to any work performed on any contract outside of the United States or its territories.

## 2.2 Worker's Compensation Laws

If this Contract be of such a character that the employees engaged thereon are required to be insured by the provisions of the New York Worker's Compensation Law, and acts amendatory thereto, the same shall be void and of no effect unless the Seller shall secure compensation for the benefit of, and keep insured during the life of this Contract such employees in compliance with the provisions of said law.

## 3. INVESTIGATIONS

- 3.1 The parties to this Contract agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.
- 3.2 (a) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or;
- (b) If any person refuses to testify for a reason other than the assertion of his or her privilege against self incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;
- 3.3 (a) The Agency Chief Contracting Officer or Agency Head whose agency is a party in interest to the transaction, submitted bid, submitted proposal,

contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.

- (b) If any non-governmental party to the hearing requests an adjournment, the Agency Chief Contracting Officer or Agency Head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to 3.5 below without the City incurring any penalty or damages for delay or otherwise.

3.4 The penalties which may attach after a final determination by the Agency Chief Contracting Officer or Agency Head may include but shall not exceed:

- (a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or
- (b) The cancellation or termination of any and all such existing City contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

3.5 The Agency Chief Contracting Officer or Agency Head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs 3.5(a) and 3.5(b) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs 3.5(c) and 3.5(d) below in addition to any other information which may be relevant and appropriate:

- (a) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.
- (b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person

whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

- (c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.
- (d) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under 3.4 above, provided that the party or entity has given actual notice to the Agency Chief Contracting Officer or Agency Head upon the acquisition of the interest, or at the hearing called for in 3.3(a) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

3.6 Definitions for purposes of this section shall include the following:

- (a) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.
- (b) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.
- (c) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.
- (d) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

3.7 In addition to and notwithstanding any other provision of this Contract the Agency Chief Contracting Officer or Agency Head may in his or her sole discretion terminate this Contract upon not less than three (3) days written notice in the event contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this Contract by the contractor, or affecting the performance of this Contract.

#### 4. TOXIC SUBSTANCES - MATERIAL SAFETY DATA SHEETS

Under the New York State Labor Law, Article 28 (the Right to Know Law), Section 876, any manufacturer, importer, producer or formulator of any substance sold for any use within the state must provide, upon request, specific information on the health hazards and proper handling of such substances. The City of New York, in order to meet its responsibilities under the Law as an employer, requires that Seller and its manufacturers and suppliers submit such information in the form of a Material Safety Data Sheet for any toxic substance or product containing a toxic substance to be supplied to the City. Any questions regarding the toxicity of a substance or the requirements of a Material Data Sheet should be addressed to the New York State Bureau of Toxic Assessment.

#### 5. PARTICIPATION IN AN INTERNATIONAL BOYCOTT

5.1 The Seller agrees that neither the Seller nor any affiliate is participating or shall participate in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations of the United States Department of Commerce promulgated thereunder.

5.2 Upon the final determination by the Commerce Department or any other agency of the United States as to, or conviction of the Seller or an affiliated company thereof, participation in an international boycott in violation of the provisions of the Export Administration Act of 1979, as amended, or the regulations promulgated thereunder, the Comptroller may, at his/her option, render forfeit and void this Contract.

5.3 The Seller shall comply in all respects, with the provisions of Section 6-114 of the Administrative Code of the City of New York and the rules and regulations issued by the Comptroller thereunder.

#### 6. RESOLUTION OF DISPUTES

6.1 Except as provided in 6.1(a) and 6.1(b) below, all disputes between the City and the vendor that arise under, or by virtue of, this contract shall be finally resolved in accordance with the provisions of this section and Section 4-09 of the Rules of the Procurement Policy Board ("PPB Rules"). This procedure shall be the exclusive means of resolving any such disputes.

(a) This section shall not apply to disputes concerning matters dealt with in other sections of the PPB Rules or to disputes involving patents, copyrights, trademarks, or trade secrets (as interpreted by the courts of New York State) relating to proprietary rights in computer software.

(b) For construction and construction-related services this section shall apply only to disputes about the scope of work delineated by the contract, the

interpretation of contract documents, the amount to be paid for extra work or disputed work performed in connection with the contract, the conformity of the vendor's work to the contract, and the acceptability and quality of the vendor's work; such disputes arise when the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner makes a determination with which the vendor disagrees.

- 6.2 All determinations required by this section shall be clearly stated, with a reasoned explanation for the determination based on the information and evidence presented to the party making the determination. Failure to make such determination within the time required by this section shall be deemed a non-determination without prejudice that will allow application to the next level.
- 6.3 During such time as any dispute is being presented, heard, and considered pursuant to this section, the contract terms shall remain in full force and effect and the vendor shall continue to perform work in accordance with the contract and as directed by the Agency Chief Contracting Officer ("ACCO") or Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner. Failure of the vendor to continue the work as directed shall constitute a waiver by the vendor of any and all claims being presented pursuant to this section and a material breach of contract.
- 6.4 Presentation of Dispute to Agency Head.
  - (a) Notice of Dispute and Agency Response. The vendor shall present its dispute in writing ("Notice of Dispute") to the Agency Head within the time specified herein, or, if no time is specified, within thirty (30) days of receiving written notice of the determination or action that is the subject of the dispute. This notice requirement shall not be read to replace any other notice requirements contained in the contract. The Notice of Dispute shall include all the facts, evidence, documents, or other basis upon which the vendor relies in support of its position, as well as a detailed computation demonstrating how any amount of money claimed by the vendor in the dispute was arrived at. Within thirty (30) days after receipt of the complete Notice of Dispute, the ACCO or, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, shall submit to the Agency Head all materials he or she deems pertinent to the dispute. Following initial submissions to the Agency Head, either party may demand of the other the production of any document or other material the demanding party believes may be relevant to the dispute. The requested party shall produce all relevant materials that are not otherwise protected by a legal privilege recognized by the courts of New York State. Any question of relevancy shall be determined by the Agency Head whose decision shall be final. Willful failure of the vendor to produce any requested material whose relevancy the vendor has not disputed, or whose relevancy

has been affirmatively determined, shall constitute a waiver by the vendor of its claim.

- (b) **Agency Head Inquiry.** The Agency Head shall examine the material and may, in his or her discretion, convene an informal conference with the vendor and the ACCO and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, to resolve the issue by mutual consent prior to reaching a determination. The Agency Head may seek such technical or other expertise as he or she shall deem appropriate, including the use of neutral mediators, and require any such additional material from either or both parties as he or she deems fit. The Agency Head's ability to render, and the effect of, a decision hereunder shall not be impaired by any negotiations in connection with the dispute presented, whether or not the Agency Head participated therein. The Agency Head may or, at the request of any party to the dispute, shall compel the participation of any other vendor with a contract related to the work of this contract and that vendor shall be bound by the decision of the Agency Head. Any vendor thus brought into the dispute resolution proceeding shall have the same rights and obligations under this section as the vendor initiating the dispute.
- (c) **Agency Head Determination.** Within thirty (30) days after the receipt of all materials and information, or such longer time as may be agreed to by the parties, the Agency Head shall make his or her determination and shall deliver or send a copy of such determination to the vendor and ACCO and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner, together with a statement concerning how the decision may be appealed.
- (d) **Finality of Agency Head Decision.** The Agency Head's decision shall be final and binding on all parties, unless presented to the Contract Dispute Resolution Board ("CDRB") pursuant to this section. The City may not take a petition to the CDRB. However, should the vendor take such a petition, the City may seek, and the CDRB may render, a determination less favorable to the vendor and more favorable to the City than the decision of the Agency Head.

6.5 **Presentation of Dispute to the Comptroller.** Before any dispute may be brought by the vendor to the CDRB, the vendor must first present its claim to the Comptroller for his or her review, investigation, and possible adjustment.

- (a) **Time, Form, and Content of Notice.** Within thirty (30) days of receipt of a decision by the Agency Head, the vendor shall submit to the Comptroller and to the Agency Head a Notice of Claim regarding its dispute with the agency.

The Notice of Claim shall consist of (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed and the reason(s) the vendor contends the dispute was wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head, and (iii) a copy of all materials submitted by the vendor to the agency, including the Notice of Dispute. The vendor may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.

- (b) **Agency Response.** Within thirty (30) days of receipt of the Notice of Claim, the agency shall make available to the Comptroller a copy of all material submitted by the agency to the Agency Head in connection with the dispute. The agency may not present to the Comptroller any material not presented to the Agency Head, except at the request of the Comptroller.
- (c) **Comptroller Investigation.** The Comptroller may investigate the claim in dispute and, in the course of such investigation, may exercise all powers provided in sections 7-201 and 7-203 of the New York City Administrative Code. In addition, the Comptroller may demand of either party, and such party shall provide, whatever additional material the Comptroller deems pertinent to the claim, including original business records of the vendor. Willful failure of the vendor to produce within fifteen (15) days any material requested by the Comptroller shall constitute a waiver by the vendor of its claim. The Comptroller may also schedule an informal conference to be attended by the supplier, agency representatives, and any other personnel desired by the Comptroller.
- (d) **Opportunity of Comptroller to Compromise or Adjust Claim.** The Comptroller shall have forty-five (45) days from his or her receipt of all materials referred to in 6.5(c) to investigate the disputed claim. The period for investigation and compromise may be further extended by agreement between the vendor and the Comptroller, to a maximum of ninety (90) days from the Comptroller's receipt of all the materials. The vendor may not present its petition to the CDRB until the period for investigation and compromise delineated in this paragraph has expired. In compromising or adjusting any claim hereunder, the Comptroller may not revise or disregard the terms of the contract between the parties.

6.6 **Contract Dispute Resolution Board.** There shall be a Contract Dispute Resolution Board composed of:

- (a) the chief administrative law judge of the Office of Administrative Trials and Hearings ("OATH") or his/her designated OATH administrative law judge, who shall act as chairperson, and may adopt operational procedures and issue such orders consistent with this section as may be necessary in the execution

of the CDRB's functions, including, but not limited to, granting extensions of time to present or respond to submissions;

- (b) the City Chief Procurement Officer ("CCPO") or his/her designee any designee shall have the requisite background to consider and resolve the merits of the dispute and shall not have participated personally and substantially in the particular matter that is the subject of the dispute or report to anyone who so participated , and
- (c) a person with appropriate expertise who is not an employee of the City. This person shall be selected by the presiding administrative law judge from a prequalified panel of individuals, established and administered by OATH, with appropriate background to act as decision-makers in a dispute. Such individuals may not have a contract or dispute with the City or be an officer or employee of any company or organization that does, or regularly represent persons, companies, or organizations having disputes with the City.

6.7 Petition to CDRB. In the event the claim has not been settled or adjusted by the Comptroller within the period provided in this section, the vendor, within thirty (30) days thereafter, may petition the CDRB to review the Agency Head determination.

- (a) Form and Content of Petition by Vendor. The vendor shall present its dispute to the CDRB in the form of a Petition, which shall include (i) a brief statement of the substance of the dispute, the amount of money, if any, claimed, and the reason(s) the vendor contends that the dispute was wrongly decided by the Agency Head; (ii) a copy of the decision of the Agency Head; (iii) copies of all materials submitted by the vendor to the agency; (iv) a copy of the decision of the Comptroller, if any, and (v) copies of all correspondence with, and material submitted by the vendor to, the Comptroller's Office. The vendor shall concurrently submit four complete sets of the Petition: one to the Corporation Counsel (Attn: Commercial and Real Estate Litigation Division), and three to the CDRB at OATH's offices, with proof of service on the Corporation Counsel. In addition, the vendor shall submit a copy of the statement of the substance of the dispute, cited in (i) above, to both the Agency Head and the Comptroller.
- (b) Agency Response. Within thirty (30) days of receipt of the Petition by the Corporation Counsel, the agency shall respond to the statement of the vendor and make available to the CDRB all material it submitted to the Agency Head and Comptroller. Three complete copies of the agency response shall be submitted to the CDRB at OATH's offices and one to the vendor. Extensions of time for submittal of the agency response shall be given as necessary upon a showing of good cause or, upon the consent of the parties, for an initial period of up to thirty (30) days.

- (c) Further Proceedings. The Board shall permit the vendor to present its case by submission of memoranda, briefs, and oral argument. The Board shall also permit the agency to present its case in response to the vendor by submission of memoranda, briefs, and oral argument. If requested by the Corporation Counsel, the Comptroller shall provide reasonable assistance in the preparation of the agency's case. Neither the vendor nor the agency may support its case with any documentation or other material that was not considered by the Comptroller, unless requested by the CDRB. The CDRB, in its discretion, may seek such technical or other expert advice as it shall deem appropriate and may seek, on its own or upon application of a party, any such additional material from any party as it deems fit. The CDRB, in its discretion, may combine more than one dispute between the parties for concurrent resolution.
- (d) CDRB Determination. Within forty-five (45) days of the conclusion of all submissions and oral arguments, the CDRB shall render a decision resolving the dispute. In an unusually complex case, the CDRB may render its decision in a longer period of time, not to exceed ninety (90) days, and shall so advise the parties at the commencement of this period. The CDRB's decision must be consistent with the terms of the contract. Decisions of the CDRB shall only resolve matters before the CDRB and shall not have precedential effect with respect to matters not before the CDRB.
- (e) Notification of CDRB Decision. The CDRB shall send a copy of its decision to the vendor, the ACCO, the Corporation Counsel, the Comptroller, the CCPO, the Office of Construction, the PPB, and, in the case of construction or construction-related services, the Engineer, Resident Engineer, Engineering Audit Officer, or other designee of the Commissioner. A decision in favor of the vendor shall be subject to the prompt payment provisions of the PPB Rules. The Required Payment Date shall be thirty (30) days after the date the parties are formally notified of the CDRB's decision.
- (f) Finality of CDRB Decision. The CDRB's decision shall be final and binding on all parties. Any party may seek review of the CDRB's decision solely in the form of a challenge, filed within four months of the date of the CDRB's decision, in a court of competent jurisdiction of the State of New York, County of New York pursuant to Article 78 of the Civil Practice Law and Rules. Such review by the court shall be limited to the question of whether or not the CDRB's decision was made in violation of lawful procedure, was affected by an error of law, or was arbitrary and capricious or an abuse of discretion. No evidence or information shall be introduced or relied upon in such proceeding that was not presented to the CDRB in accordance with Section 4-09 of the PPB Rules.

6.8 Any termination, cancellation, or alleged breach of the contract prior to or during the pendency of any proceedings pursuant to this section shall not affect or impair the ability of the Agency Head or CDRB to make a binding and final decision pursuant to this section.

7. VENDEX QUESTIONNAIRES

Pursuant to Administrative Code §6-116.2 and Section 2-08(e) of the Rules of the Procurement Policy Board (9 RCNY §2-08), VENDEX Questionnaires must be completed and submitted by all persons or entities doing business with the City of New York on contracts and/or subcontracts of \$10,000 or more that will be awarded to a sole source and/or whose aggregate business with the City in the preceding twelve (12) months totals \$100,000 or more before any award of contract may be made. The Vendex Questionnaires consist of Business Entity and Principal Questionnaires. Any questions concerning this requirement must be submitted to the Agency Chief Contracting Officer or the contact person for this contract.

8. NON-BIDDERS MACBRIDE PRINCIPLES PROVISIONS

ARTICLE I.

MACBRIDE PRINCIPLES

PART A

In accordance with section 6-115.1 of the Administrative Code of the City of New York, the contractor stipulates that such contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor either (a) have no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Principles, and shall permit independent monitoring of their compliance with such principles.

PART B

For purposes of this section, the following terms shall have the following meanings:

1. "MacBride Principles" shall mean those principles relating to nondiscrimination in employment and freedom of workplace opportunity which require employers doing business in Northern Ireland to:
  - (1) increase the representation of individuals from underrepresented religious groups in the work force, including managerial, supervisory, administrative, clerical and technical jobs;
  - (2) take steps to promote adequate security for the protection of employees from underrepresented religious groups both at the workplace and while

traveling to and from work;

- (3) ban provocative religious or political emblems from the workplace;
- (4) publicly advertise all job openings and make special recruitment efforts to attract applicants from underrepresented religious groups;
- (5) establish layoff, recall and termination procedures which do not in practice favor a particular religious group;
- (6) abolish all job reservations, apprenticeship restrictions and different employment criteria which discriminate on the basis of religion;
- (7) develop training programs that will prepare substantial numbers of current employees from underrepresented religious groups for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of workers from underrepresented religious groups;
- (8) establish procedures to assess, identify and actively recruit employees from underrepresented religious groups with potential for further advancement; and
- (9) appoint a senior management staff member to oversee affirmative action efforts and develop a timetable to ensure their full implementation.

## ARTICLE II

### ENFORCEMENT OF ARTICLE I.

The contractor agrees that the covenants and representations in Article I above are material conditions to this contract. In the event the contracting entity receives information that the contractor who made the stipulation required by this section is in violation thereof, the contracting entity shall review such information and give the contractor an opportunity to respond. If the contracting entity finds that a violation has occurred, the entity shall have the right to declare the contractor in default and/or terminate this contract for cause and procure the supplies, services or work from another source in any manner the entity deems proper. In the event of such termination, the contractor shall pay to the entity, or the entity in its sole discretion may withhold from any amounts otherwise payable to the contractor, the difference between the contract price for the uncompleted portion of this contract and the cost to the contracting entity of completing performance of this contract either itself or by engaging another contractor or contractors. In the case of a requirements contract, the contractor shall be liable for such difference in price for the entire amount of supplies required by the contracting entity for the uncompleted terms of its contract. In the case of a construction contract, the contracting entity shall also have the right to hold the contractor in partial or total default in accordance with the default provisions of this contract, and/or may seek debarment or suspension of the contractor. The rights and remedies of the entity hereunder shall be in addition to, and not in lieu of, any

rights and remedies the entity has pursuant to this contract or by operation of law.

## 9. INSTALLATIONS

9.1 Labor Law. The Seller specifically agrees, as required by Labor Law Sections 220 and 220-d, as amended, that with respect to public work contracts:

- (a) No laborer, workman, or mechanic, in the employ of the contractor, subcontractor or other person doing or contracting to do the whole or any part of the work contemplated by the contract shall be permitted or required to work more than eight hours in any one calendar day or more than five days in one week, except in the emergencies set forth in the Labor Law.
- (b) The wages paid for a legal day's work shall be not less than the prevailing rate of wages as defined by law.
- (c) The minimum hourly rate of wage to be paid shall not be less than that stated in the specifications, and any redetermination of the prevailing rate of wages after the contract is approved shall be deemed to be incorporated herein by reference as of the effective date of redetermination and shall form a part of these contract documents.
- (d) The Labor Law provides that the contract may be forfeited and no sum paid for any work done thereunder on a second conviction for willfully paying less than:
  - (1) The stipulated wage scale as provided in Labor Law, Section 220, subdivision 3, as amended, or
  - (2) Less than the stipulated minimum hourly wage scale as provided in Labor Law, Section 220-d, as amended.

9.2 Seller's Obligations.

- (a) Sellers shall acquaint themselves with conditions to be found at the site and shall assume all responsibility for placing and installing the equipment in the required locations.
- (b) Where the contract involves performance of services on City facilities, all Sellers are urged and expected to inspect the site where services are to be performed and to satisfy themselves as to all general and local conditions that may affect the cost of performance of the Contract. In no event will a failure to inspect a site constitute grounds for withdrawal or for a claim after award of the Contract.

- (c) All materials used in the installation shall be of good quality and shall be free from any and all defects which would make the appearance of the equipment or render it structurally unsound.
- (d) The Seller shall protect the site from damage for all its work and shall repair damages or injury of any kind caused by the Seller, its employees, officers or agents.
- (e) Work shall be performed so as to cause the least inconvenience to the City, and its Agencies and with proper consideration for the rights of other contractors or workers. The Seller shall promptly perform its work and shall coordinate its activities with those of other contractors.
- (f) Installation shall include the furnishing of any equipment, rigging and materials required to install or replace the contract item in the proper location. If any alteration, dismantling or excavation, or the like is required to effect installation, the Seller shall thereafter promptly restore the structure or site to its original condition.
- (g) Materials, equipment or supplies shall be stored at the site only with the approval of the using Agency and at the Seller's sole risk. In general, such on-site storage should be avoided to prevent possible damage to or loss of the material.
- (h) The Seller shall clean up and remove all debris and rubbish from its work as required or directed. Upon completion of the work the premises shall be left in a neat unobstructed condition, the buildings broom clean, and everything in satisfactory repair and order.

#### 10. LAW INSERTED

It is the intent and understanding of the parties to this Contract that each and every provision of law required to be inserted in this Contract shall be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted herein, and if, through mistake or otherwise, any provision is not inserted herein or is not inserted in correct form, then this Contract shall forthwith, upon the application of either party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of either party.

#### 11. BREACH OF CONTRACT

Any breach or violation of any of the foregoing subdivisions of this Part IV entitled "Special Conditions" shall be deemed a breach or violation of a material provision of this Contract.

## 12. PROCUREMENT POLICY BOARD RULES

This contract is subject to the Rules of the Procurement Policy Board of the City of New York effective as amended April 2007. In the event of conflict between said Rules and a provision of this Contract, the rules shall take precedence. For information and updates in the Procurement Policy Board Rules, sellers are referred to [www.nyc.gov/ppb](http://www.nyc.gov/ppb), or the Mayor's Office of Contract Services at 212-788-0010.

### PART V AFFIRMATIONS

THE SELLER AFFIRMS AND DECLARES THAT:

#### 1. NO OTHER PERSON INTERESTED.

The Seller is of lawful age and is the only one interested in this Contract and that no other person, firm or corporation has any interest in this Contract.

#### 2. FAIR PRACTICES

The Seller and each person signing on behalf of the Seller represents and warrants and certifies, under penalty of perjury, that to the best of its knowledge and belief:

- 2.1 No Collusion. The prices in this contract have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any competitor;
- 2.2 Prices Not Disclosed. Unless otherwise required by law, the prices which have been quoted in this Contract have not been knowingly disclosed by the Seller prior to the proposed opening, directly or indirectly, to any competitor; and
- 2.3 No Attempt to Restrict Competition. No attempt has been made or will be made by the Seller to induce any other person, partnership or corporation to submit or not to submit a proposal for the purpose of restricting competition.

The fact that the Contractor (a) has published price lists, rates, or tariffs covering items being procured, (b) has informed prospective customers of proposed or pending publication of new or revised price lists for such items, or (c) has sold the same items to other customers at the same prices being bid, does not constitute, without more, a disclosure within the meaning of the above.

3. NO INTEREST BY CITY OFFICER OR EMPLOYEE.

No member of the Council, or other officer or employee or person whose salary is payable in whole or in part from the City Treasury is directly or indirectly interested in this Contract or in the Goods or in the performance of this Contract, or in any portion of the profits thereof.

4. NOT IN ARREARS NOR IN DEFAULT TO CITY.

Said Seller is not in arrears to the City of New York upon debt or contract or taxes, and is not a defaulter, as surety or otherwise, upon an obligation to the City of New York, and has not been declared not responsible, or disqualified, by any agency of the City of New York or State of New York, nor is there any proceeding pending relating to the responsibility or qualification of the Seller to receive public contracts.

5. COMPLIANCE WITH SECTION 6-109 OF ADMINISTRATIVE CODE

The Seller, as an individual, or as a member, partner, director or officer, if the same be a firm, partnership or corporation, executes this document expressly warranting and representing that the Seller is not disqualified under the provisions of Section 6-109 of the Administrative Code for the award of this Contract and that it and its subcontractors engaged in the performance of the Contract: (i) will comply with the provisions of Section 6-109 of the Administrative Code of the City of New York in relation to minimum wages and (ii) have complied with the provisions of said Section 6-109 and said rules and regulations since their respective effective dates insofar as applicable to the Seller and to its subcontractors.

In the event of breach or violation of any of the foregoing, the Seller may be subject to damages, liquidated or otherwise, and cancellation of this Contract in whole or in part.

6. NON-DISCRIMINATION

The Seller, as an individual, or as a member, partner, director or office, if the same be a firm, partnership or corporation, executes this document expressly warranting and representing that it and its subcontractors engaged in the performance thereof (i) will comply with the provisions of Section 6-108 of the Administrative Code of the City of New York and the nondiscrimination provisions of Section 220-e of the New York State Labor Law; (ii) have complied with the provisions of the aforesaid laws since their respective effective dates; and (iii) will post notices to be furnished by the City, setting forth the requirements of the aforesaid laws in prominent and conspicuous places in each and every plant, factory, building and structure where employees engaged in the performance of this Contract can readily view it, and will continue to keep such notices posted until the supplies, materials and equipment, or work, labor and services required to be furnished or rendered by the Seller have been finally accepted by the City.

## 7. NO PAYMENT OR GIFT

The Seller, if an individual, or if a firm, partnership or corporation, by executing this document as a member, partner, director or officer and on behalf of such firm, partnership or corporation, represents and warrants that no payment, gift or thing of value has been made, given or promised to obtain this or any other Contract between the parties. The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee or any other compensation. The Seller makes such representations and warranties to induce the City to enter into this Contract and the City relies upon such representations and warranties in the execution hereof. For breach or violation of such representations or warranties, the Agency Chief Contracting Officer shall have the right to annul this Contract without liability, entitling the City to recover all monies paid hereunder and the Seller shall not make claims for, or be entitled to recover, any sum or sums due under this Contract. This remedy, if effected, shall not constitute the sole remedy afforded the City for the falsity or breach, nor shall it constitute a waiver of the City's right to claim damages or refuse payment or to take any other action provided for by law or pursuant to this Contract.