

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE NEW YORK CITY DEPARTMENT OF SOCIAL SERVICES/
HUMAN RESOURCES ADMINISTRATION
AND
COSTCO CORPORATION**

This Memorandum of Understanding ("MOU" or "Agreement") is entered into by and between the New York City Department of Social Services/ Human Resources Administration ("HRA"), with offices at 150 Greenwich Street, New York, New York 10007, and **Costco Corporation** ("**COSTCO**"), with offices at 999 Lake Drive, Issaquah, WA 98027 (collectively, "the Parties").

RECITALS:

WHEREAS, on July 10, 2014, Mayor de Blasio signed into law Local Law No. 35 of 2014, establishing the New York City Identification Card Program ("IDNYC Program"); and

WHEREAS, Mayor de Blasio issued Executive Order No. 6 designating HRA as the administering agency of the Program; and

WHEREAS, Local Law No. 35 requires the City of New York ("the City") to encourage eligible persons to apply for the card and to seek to expand the benefits associated with the card; and

WHEREAS, **COSTCO** is a Washington corporation which operates a chain of membership-only warehouse clubs; and

WHEREAS, **COSTCO** desires to participate in the IDNYC Program by providing IDNYC cardholders with various discounts; and

WHEREAS, Commission Junction LLC, a contractor of **COSTCO**, will manage the IDNYC benefit program on behalf of **COSTCO**;

NOW, THEREFORE, the Parties agree to cooperate as follows:

I. Terms and Conditions:

- A. **COSTCO** shall extend to every IDNYC cardholder who makes a Membership Activation Certificate purchase during the term of this Agreement, and who signs up as a new **COSTCO** member, a twenty dollar (\$20) Costco Shop Card for Executive Members and a ten dollar (\$10) Costco Shop Card for Gold Star Members ("the Promotion"). Membership Activation Certificates are electronic stored value card numbers loaded with a designated monetary amount equal to Costco's current annual membership fee ("Card Value"). As of January 1, 2020, the Card Value stored on each Membership Activation Certificate is \$60.00, but Costco may change the membership fee at any time at Costco's sole discretion. HRA shall not (i) advertise or offer

Membership Activation Certificates to IDNYC cardholders at less than Card Value ; or (ii) promote Membership Activation Certificates as redeemable for renewal of an existing Costco Membership. HRA agrees to comply with the terms of use for the Membership Certificates and to post the Membership Activation Certificate Disclosure set forth in Exhibit A on the IDNYC website.

- B. The IDNYC website will feature a dedicated hyperlink provided by COSTCO to HRA for IDNYC cardholders to access the Promotion via the IDNYC Website (“Offer Link”). The Offer Link will connect IDNYC cardholders to a unique website portal where IDNYC cardholders may register for the Promotion. Access through the Offer Link will be restricted to IDNYC cardholders, who will be required to enter their Full Name and IDNYC card number on the IDNYC website to utilize the Offer Link.
- C. COSTCO will be responsible for taking commercially reasonable steps to train staff involved with COSTCO membership sales at New York City COSTCO locations regarding the Promotion available to IDNYC cardholders.
- D. Upon the termination of this Agreement, COSTCO shall cease any use of IDNYC Program “Marks” and HRA shall cease using COSTCO Company “Marks.” “Marks” shall include a party’s name, trademarks, identifiers, brands or logos. With respect to HRA, “Marks” shall include the City of New York’s IDNYC Program Marks. Except for termination of this Agreement due to HRA’s breach after written notice to HRA of the alleged breach and reasonable opportunity to cure, the termination of this Agreement shall not release COSTCO from its obligations to IDNYC Cardholders made prior to the effective termination date. In addition to the foregoing, the obligations of the Parties under this Agreement that by their nature would continue beyond termination or expiration of this Agreement, including, without limitation, all liabilities and obligations that have accrued prior to such termination or expiration, shall survive, and each Party shall also retain any and all rights that it may have under applicable law.

II. Term, Termination, and Modification

- A. The term of this agreement shall commence January 1, 2021 and shall terminate December 31, 2021. HRA and COSTCO shall have the option to renew this agreement for three additional, consecutive one year terms with the written consent of both Parties.
- B. Both HRA and COSTCO shall have the right to terminate this agreement without cause upon thirty (30) days written notice to the other party. COSTCO has the right to terminate this agreement upon 10 days’ written notice if HRA breaches any obligation, representation, warranty, or covenant made hereunder, where such breach is not cured

within the 10-day period following written notice from COSTCO to HRA of such breach.

- C. This agreement may be modified at any time only upon written agreement of both Parties.

III. Promotional Activities

- A. Subject to the further provisions of this Article III, each party shall have the right to advertise and promote the COSTCO Promotion available to IDNYC cardholders.
- B. COSTCO may refer to the IDNYC Program in its marketing materials, provided that prior written approval by HRA has been obtained for any references to the IDNYC Program in such marketing materials and for any use of the City marks, identifiers, logos or references. The use of any City marks, identifiers, logos or references is limited to the activities related to this agreement. Each party shall reasonably cooperate with the other party's advertising and/or public relations personnel designated for such purpose.
- C. Subject to COSTCO's prior written approval, HRA may include the COSTCO Promotion made available to IDNYC cardholders on relevant marketing and promotional materials. The use of any COSTCO marks, identifiers, logos or references is subject to the logo guidelines in Exhibit B and is limited to the activities related to this agreement. This may include, but is not limited to:
1. The IDNYC website
 2. Brochures mailed to all IDNYC cardholders
 3. Emails sent by HRA to IDNYC cardholders; content for the emails will be provided by COSTCO
 4. Inclusion in appropriate City Hall and HRA press releases

IV. Party-Related Web Content

- A. COSTCO may refer to the IDNYC Program and make use of the City's Marks and references on its Company Website in furtherance of this Agreement subject to the further provisions of this Article IV.
- B. During the Term of this Agreement, each Party grants to the other Party a non-exclusive, non-transferable, royalty-free license to use its Marks, as may be reasonably required for the other Party to perform under this Agreement and only as explicitly permitted hereunder. Each Party shall submit any such use to the other Party for written approval, which approval shall not be unreasonably withheld. Each Party agrees to adhere to the specific quality control standards of the other Party whenever it uses the other Party's Marks, and not alter or modify the other Party's Marks in any way without the express prior written consent of the other Party. Any goodwill arising from the use by a Party of the other Party's Marks

shall inure to the benefit of COSTCO, HRA or the City, respectively, as the applicable owner.

- C. HRA shall be responsible for supplying COSTCO with IDNYC Program Marks and related content, if any, for use on the COSTCO Company Website in furtherance of this Agreement. Except for IDNYC Program's Marks and any content supplied by HRA, all other aspects of the Company Website, will be owned by COSTCO or have been licensed to COSTCO by third-parties.

V. Coordination between the Parties

- A. HRA shall designate the Executive Director of the IDNYC Program or his/her designee to liaise with COSTCO.
- B. COSTCO shall designate a liaison to engage with the IDNYC Program.
- C. All notices required by the agreement shall be delivered by messenger or overnight delivery service to the other party at the following addresses:

To COSTCO:

Costco Wholesale
999 Lake Drive, Issaquah, WA 98027

To HRA, as administering agency of the NYC IDNYC Program:

NYC Human Resources Administration
IDNYC Program
1 Metrotech Center, 6th fl.
Brooklyn, NY 11201
Attn: Executive Director

VI. Confidentiality

- A. COSTCO will not share with or disclose to a third party information which in any way identifies or signifies which of COSTCO's customers are IDNYC cardholders. Such signifiers include, but are not limited to IDNYC numbers, or any other indication of IDNYC cardholder status.
- B. In the event that the provision of any subpoena, law or court order requires COSTCO to disclose information which in any way identifies an individual as an IDNYC cardholder, COSTCO will notify HRA's Office of Legal Affairs as soon as practicable before responding to said subpoena, law, or court order and disclose the information

which identifies an individual as an IDNYC cardholder only to the extent allowed under a protective order, if any, or as necessary to comply with the subpoena, law or court order.

- C. For purposes of this Agreement, notification to HRA 's Office of Legal Affairs should be made to Paul Ligresti, Esq. by phone at 929-221-6556 or by email at ligrestip@dss.nyc.gov.

VII. Miscellaneous

- A. If any provision contained in this agreement is held to be unenforceable by a court of law or equity, this agreement will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provision or provisions of this agreement unenforceable.
- B. The Services provided under this agreement shall be performed in accordance with all applicable provisions of Federal, State, and Local Laws.
- C. This Agreement shall be governed by and construed under the laws of the State of New York, without regard to the choice of law provisions thereof. Both Parties submit to the exclusive jurisdiction of federal and state courts located in the New York County, New York for any actions, suits or proceedings arising out of this Agreement. The Parties shall consent to the dismissal and/or transfer of any claims asserted in any other venue or forum to the proper venue or forum. If COSTCO initiates any action in breach of this Section, COSTCO shall be responsible for and shall promptly reimburse the City for any attorneys' fees incurred by the City in removing the action to a proper court consistent with this Section.
- D. Neither party will be deemed to be in violation of this agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or any natural disasters including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the agreement after the intervening cause ceases.
- E. Neither party will assign, transfer, or delegate any rights, obligations, or duties under this agreement without the prior written consent of the other party.
- F. Nothing contained in this Agreement shall be construed to: (i) give either Party the power to direct or control the day-to-day activities of the other Party, (ii) allow any

Party to create or assume any obligation on behalf of the other Party for any purpose whatsoever, or (iii) constitute the Parties as partners (including limited partners), joint venturers or co-owners. Neither Party shall have any right to act on behalf of the other, nor shall either Party represent that it has such right or authority.

- G. Each Party shall furnish, execute and deliver documents, instruments, certificates, notices or other further assurances as the other Party may reasonably require as necessary or appropriate to effect the purposes of this Agreement or to confirm the rights created or arising hereunder.
- H. This written agreement contains all the terms and conditions agreed upon by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind either of the Parties, nor to vary any of its terms.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have duly executed this MOU as of the date last written below.

**NEW YORK CITY DEPARTMENT
OF SOCIAL SERVICES/HUMAN
RESOURCES ADMINISTRATION**

COSTCO CORPORATION

Name: Vincent Pullo
Title: ACCO, HRA

Date:

Name: Amanda Maguni
Title: Manager, Acquisition

4/5/2021

Date:



STATE OF NEW YORK)

: ss:

COUNTY OF NEW YORK)

On this _____ day of _____, 20_____, before me personally came _____, to me known and known to me to be

_____ of the **HUMAN RESOURCES ADMINISTRATION/DEPARTMENT OF SOCIAL SERVICES of the CITY OF NEW YORK**, the person described in and who executed the foregoing instrument, and she/he acknowledged to me that she/he executed the same for the purpose therein mentioned.

NOTARY PUBLIC

State of Washington County of King

On this 5 day of April, 20 21 before me personally came Amand Magani, to me known, who, being by me duly sworn did depose and say that he/she resides at Issaquah; that he/she is the Marketing Manager of **COSTCO CORPORATION** the corporation described in and which executed the foregoing instrument; and that he signed his name to the foregoing instrument by order of the directors of said corporation as the duly authorized and binding act thereof.

Stephanie Gardner
NOTARY PUBLIC Stephanie Gardner
Exp 5-6-21



EXHIBIT A

MEMBERSHIP ACTIVATION CERTIFICATE DISCLOSURE

Membership Activation Certificate Disclosure. HRA must include the following disclosures on the IDNYC website.

- Membership Activation Certificates are not redeemable or refundable for cash or Merchandise nor is it a debit or credit card. Membership Activation Certificates must be redeemed at a Costco warehouse membership desk in the United States or Puerto Rico; they are not redeemable at costco.com or outside of the United States.
- Membership Activation Certificates will not be replaced if lost, misplaced, destroyed or stolen. Membership Activation Certificates do not expire and there are no dormancy fees. Membership Activation Certificates cannot be used to purchase additional Membership Activation Certificates or Costco Cash Cards.
- Costco reserves the right to refuse to honor the Membership Activation Card if Costco believes a Membership Activation Certificate has been obtained by fraud or theft.
- These terms and conditions will govern the use of the Membership Activation Certificate by the purchaser/recipient and all subsequent known or unknown recipients or holders of the Membership Activation Certificate. Costco reserves the right to change or amend these terms in whole or in part at any time and will provide HRA written notice of such changes/amendments so that it may update the IDNYC website as necessary.

EXHIBIT B

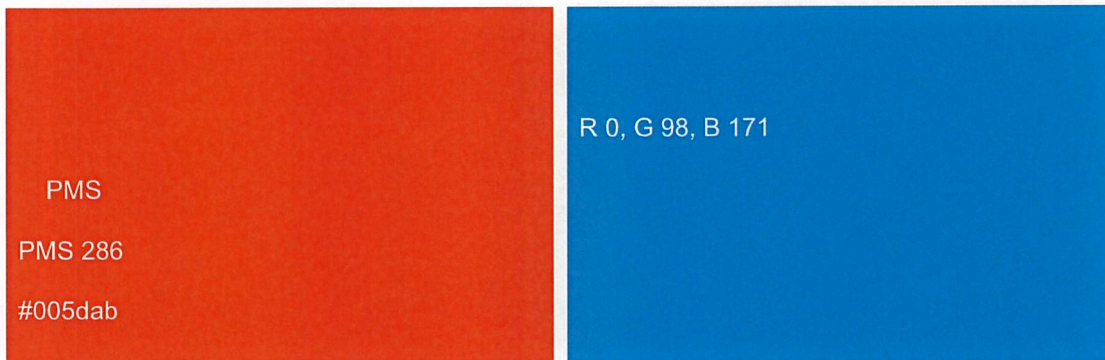
COSTCO LOGO GUIDELINES

LOGO GUIDELINES

The following are guidelines to legal requirements for logos, images and content of Costco Wholesale Company.

1. COSTCO LOGO USAGE

- a. Only the official Costco logo may be used. To obtain a digital file of the logo, please contact your marketing or buying representative.
- b. The logo reads "Costco Wholesale", and should not be cropped to read "Costco".
- c. Do not skew, tilt, compress or alter the logo. For any changes to the logo, contact your marketing or buying representative.
- d. The registered mark must always accompany the logo.
- e. The Costco Wholesale and Costco.com logos' printed Pantone Matching System (PMS) colors are PMS 186 Red and PMS 286 Blue. The hexadecimal code for these colors are #E51937 [RGB Value 229, 25, 55] and #005dab [RGB Value 0, 93, 171].



- f. The logo is an altered version of Futura Extra Bold Oblique. When using the name "Costco", "Costco Wholesale" or "Costco.com" in text (not as a logo), please avoid the use of this font as to avoid confusion with an incorrect version of the logo.

N-IDNYC Benefit Partner MOU
CostCo
12.19.19



