

CITY OF ROCKLIN
TERMS AND CONDITIONS OF PURCHASE

ARTICLE I – The materials, supplies or services covered by this order shall be furnished by Seller subject to all the terms and conditions set forth in this order including the following, which Seller, in accepting this order agrees to be bound by and to comply with in all particulars and no other terms or conditions shall be binding upon the parties unless hereafter accepted by them in writing. Written acceptance or shipment of all or any portion of the materials or supplies, or the performance of all or any portion of the services, covered by this order shall constitute unqualified acceptance of all its terms and conditions. The terms of any proposal referred to in this order are included and made a part of the order to the extent of specifying the nature of the materials, supplies, or services ordered, the price therefor, and the delivery thereof, and then only to the extent that such terms are consistent with the terms and conditions of this order.

ARTICLE II – INSPECTION. The Materials, supplies or services furnished shall be exactly as specified in this order, free from all defects in Seller's design, workmanship and materials, and, except as otherwise provided in this order, shall be subject to inspection and test by City at all times and places. If, prior to final acceptance, and materials, supplies or services are found to be defective or not as specified, City may reject them, require Seller to correct them without charge, or require delivery of such materials, supplies, or services at a reduction in price which is equitable under the circumstances. If Seller is unable or refuses to correct such items within a time deemed reasonable by City, City may terminate the order in whole or in part. Seller shall bear all risks as to rejected materials, supplies and services and in addition to any costs for which Seller may become liable to City under other provisions of this order, shall reimburse City for all transportation costs, other related costs incurred, or payments to Seller in accordance with the terms of this order for unaccepted materials, supplies and services. Notwithstanding final acceptance, and payment, Seller shall be liable for latent defects, fraud or such gross mistakes as amount to fraud.

ARTICLE III – CHANGES. City may make changes within the general scope of this order in drawings and specifications for specially manufactured supplies, place of delivery, method of shipment or packing of the order by giving notice to Seller and subsequently confirming such changes in writing. If such changes affect the cost of, or the time required for performance of this order, an equitable adjustment in the price or delivery or both shall be made. No change by Seller shall be recognized without written approval of City. Any claim of Seller for an adjustment under this Article must be made in writing within thirty (30) days from the date of receipt by Seller of notification of such change unless City waives this condition. Nothing in this Article shall excuse Seller from proceeding with performance of the order as changed hereunder.

ARTICLE IV – TERMINATION.

- A. City may by written notice stating the extent and effective date, terminate this order for convenience in whole or in part, at any time. City shall pay Seller as full compensation for performance until such termination: (1) the unit or pro date order price for the delivered and accepted portion; and (2) a reasonable amount, not otherwise recoverable from other sources by Seller as approved by City, with respect to the undelivered or unaccepted portion of this order; provided compensation hereunder shall in no event exceed the total order price.
- B. City may by written notice terminate this order for Seller's default, in whole or in part, at any time, if Seller refuses or fails to comply with the provisions of this order, or so fails to make progress as to endanger performance and does not cure such failure within a reasonable period of time, or fails to make deliveries of the material or supplies or perform the services within the time specified or any written extension thereof. In such event, City may purchase or otherwise secure materials, supplies or services and except as otherwise provided herein, Seller shall be liable to City for any excess costs occasioned City thereby.
If, after notice of termination for default, City determines that the Seller was not in default or that the failure to perform this order is due to causes beyond control and without the fault or negligence of Seller (including, but not restricted to, acts of God or of the public enemy, acts of City, acts of Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, and delays of a subcontractor or supplier due to such causes and without the fault or negligence of the subcontractor or supplier), termination shall be deemed for the convenience of City, unless City shall determine that the materials, supplies, or services covered by this order were obtainable from other sources in sufficient time to meet the required delivery schedule.
- C. If City determines that Seller had been delayed in the work due to causes beyond the control and without the fault or negligence of Seller, City may extend the time for completion of the work called for by this order, when promptly applied for in writing by Seller; and if such delay is due to failure of City, not caused or contributed to by Seller, to perform services or deliver property in accordance with the terms of the order, the time and price of the order shall be subject to change under the Changes Article. Sole remedy of Seller in event of delay by failure of City to perform shall, however, be limited to any money actually and necessarily expended in the work during the period of delay, solely by reason of the delay. No allowance will be made for anticipated profits.
- D. The rights and remedies of City provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this order.
- E. As used in this Article, the Word "Seller" includes Seller and his subsuppliers at any tier.
- F. Supplier acknowledges that City may terminate this agreement pursuant to this Article should funds not be appropriated by its governing body to continue services under this agreement.

ARTICLE V – TITLE. Title to the material and supplies purchased hereunder shall pass directly from Seller to City at the f.o.b. point shown, subject to the right of City to reject upon inspection.

ARTICLE VI – PAYMENT, EXTRA CHARGES, DRAFTS. Seller shall be paid, upon submission of acceptable invoices, for materials and supplies delivered and accepted or services rendered and accepted. City will not pay cartage, shipping, packaging or boxing expenses, unless specified in this order. Drafts will not be honored. Invoice must be accompanied by transportation receipts, or facsimile, if transportation is payable and charged as a separate item.

ARTICLE VII – WARRANTY. Seller agrees that the supplies or services furnished under this order shall be covered by the most favorable commercial warranties the Seller gives to any customer for the same or substantially similar supplies or services and that the rights and remedies so provided are in addition to and do not limit any rights afforded to City by any other article of this order. Such warranties will be effective notwithstanding prior inspection and/or acceptance of the services or supplies by the City.

ARTICLE VIII – PATENT INDEMNITY. Seller shall indemnify City, its officers, agents, and employees against liability, including cost, for infringement of Letters Patent resulting from Seller's furnishing or supplying standard parts or components or utilizing its normal practices or methods in the performance of this order or to any parts, components, practices, or methods as to which Seller has secured indemnification from liability. The foregoing indemnity shall not apply unless Seller shall have been informed as soon as practicable by City of the suit or action alleging such infringement, and shall have been given such opportunity as is afforded by applicable laws, rules, or regulations to participate in the defense thereof; and further, such indemnity shall not apply to a claimed infringement which is settled without the consent of Seller, unless required by final decree of a court of competent jurisdiction.

ARTICLE IX – DECLARED VALUATION OF SHIPMENTS. Except as otherwise provided on the face of this order, all shipments by Seller under this order for City's account shall be made at the maximum declared value applicable to the lowest transportation rate or classification and the bill of lading shall so note.

ARTICLE X – ASSIGNMENT. This order is assignable by City. Except as to any payment due hereunder, this order is not assignable by Seller without written approval of City.

ARTICLE XI – AFFIRMATIVE ACTION. Seller shall not maintain or provide racially segregated facilities for employees at any establishment under his control. Seller agrees to adhere to the principles set forth in the Executive Orders 11246 and 11375, and to undertake specifically; to maintain employment policies and practices that affirmatively promote equality or opportunity for minority group persons and women; to take affirmative steps to hire and promote women and minority group persons at all job levels and in all aspects of employment; to communicate this policy in both English and Spanish to all persons concerned within his company, with outside recruiting services, and the minority community at large; to provide the City or request a breakdown of his labor force by ethnic group, sex, and job category; and to discuss with the City his policies and practices relating to his affirmative action program.

ARTICLE XII – FAIR EMPLOYMENT PRACTICES. If this order is for an amount of \$10,000 or more, Seller agrees to comply with the provisions of the California Fair Employment Practice Act and to include the provisions of the Act in any first tier subcontract into which Seller may enter in connection with performance pursuant to this order so that such provisions will be binding upon each subcontractor.

ARTICLE XIII – OTHER APPLICABLE LAWS. Any provision required to be included in a contract of this type by any applicable and valid federal, state or local law, ordinance, rule or regulations shall be deemed to be incorporated herein.

ARTICLE XIV – This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.