

PURCHASE ORDER INSTRUCTIONS

ALL PACKAGES MUST BE ACCOMPANIED BY A PACKING SLIP.
 REFERENCE PURCHASE ORDER NUMBER, PURCHASE ORDER LINE NUMBER, AND NJT CATALOG
 NUMBER ON ALL INVOICES, PACKING SLIPS AND BILLS OF LADING.
 INVOICES WITHOUT PURCHASE ORDER NUMBERS WILL BE RETURNED. VENDOR MUST SUPPLY
 ORIGINAL NON CONSTRUCTION INVOICE AND ANY FREIGHT BILLS IN EXCESS OF \$100 TO:
 E-MAIL [REDACTED] OR FAX 973-833-8132
 IMPORTANT - ONE INVOICE AND ALL OF ITS SUPPORTING DOCUMENTS MUST BE INCLUDED IN A
 FILE USING THE FILE NAMING FORMAT PURCHASE ORDER NUMBER - INVOICE NUMBER. MULTIPLE
 FILES MAY BE INCLUDED IN ONE E-MAIL.
 CONSTRUCTION INVOICES SHOULD CONTINUE TO BE SENT TO THE CONSTRUCTION MANAGER.
 VENDOR MUST ALSO SUPPLY A COPY OF INVOICE(S) TO CONSIGNEE.
 VENDOR: IF PRICE ON PO DOES NOT MATCH, DO NOT SHIP MATERIAL, CONTACT BUYER.

PURCHASE ORDER NO

REV NO

220013025

1

VENDOR NO

ISSUE DATE

11/10/21

DATE CHANGED

PAGE NO

11/10/21

1

HOW TO CONTACT ACCOUNTS PAYABLE CUSTOMER CARE (APCC)

E-MAIL [REDACTED]

SUPPLIER:

Vault Medical Services of New Jersey P.C.
 255 ALHAMBRA CIRCLE
 SUITE 700
 CORAL GABLES, FL, , 33134

SHIP TO:

NEWARK HEADQUARTERS
 NJ TRANSIT HEADQUARTERS
 ONE PENN PLAZA EAST
 NEWARK, NJ 07105-2246

BILL TO:

NEWARK HEADQUARTERS
 NJ TRANSIT HEADQUARTERS
 ONE PENN PLAZA EAST
 NEWARK, NJ 07105-2246

* CHANGE ORDER - DO NOT DUPLICATE *

BUYER: [REDACTED]

NJ TRANSIT IS EXEMPT FROM NJ SALES & USE TAXES
 PURSUANT TO SECT 9(A)(1), OF NJSA 54:32B-1 ET SEQ.

FEDERAL T.I.N. [REDACTED]

TERMS

FREIGHT TERMS

FOB

QUOTATION NO

NET 45

400

DESTINATION

NJ TRANSIT ETHICS CODE: NJ TRANSIT IS AN INSTRUMENTALITY OF THE STATE OF NEW JERSEY AND ITS EMPLOYEES AND OFFICERS AND MEMBERS OF THE NJ TRANSIT BOARD OF DIRECTORS ARE PUBLIC SERVANTS AND ARE GOVERNED BY CIVIL AND CRIMINAL LAWS THAT CONTROL HOW NJ TRANSIT AND ITS PERSONNEL CONDUCT BUSINESS WITH VENDORS, CONTRACTORS AND CONSULTANTS. THESE PROVISIONS INCLUDE THE CONFLICTS OF INTEREST LAW, NJSA 52:13D-12; THE GIFTS TO PUBLIC SERVANTS LAW, NJSA 2C:27-6; AND THE COMPENSATION FOR PAST OFFICIAL BEHAVIOR LAW, NJSA 2C:27-4. THESE PROVISIONS CONTAIN UNEQUIVOCAL AND STRINGENT RESTRICTIONS RELATING TO GIFTS AND GRATUITIES BY ANY NJ TRANSIT EMPLOYEE OR ANY PERSON, COMPANY OR ENTITY DOING BUSINESS WITH OR WANTING TO DO BUSINESS WITH NJ TRANSIT. THE TERM "GIFT" INCLUDES ALL THINGS AND OBJECTS, TANGIBLE OR INTANGIBLE INCLUDING SERVICES, GRATUITIES, MEALS, ENTERTAINMENT, EVENT TICKETS, MEMBERSHIP CLUB ACCESS, TRAVEL COSTS AND LODGING. ALSO, NJ TRANSIT'S CODE OF ETHICS AND CODE OF CONTRACTORS AND CONSULTANTS FROM OFFERING ANY GIFTS TO ANY NJ TRANSIT EMPLOYEE. DO NOT, UNDER ANY CIRCUMSTANCES, TEMPT OR PUT AN NJ TRANSIT EMPLOYEE IN THE AWKWARD POSITION OF HAVING TO REFUSE A GIFT OR RETURN A GIFT NO MATTER HOW WELL INTENTIONED OR INNOCUOUS THE GIFT MAY BE.

LINE NUMBER	ITEM NUMBER/ MPN/MFR /DESCRIPTION	DELIVERY DATE	QUANTITY	UOM	UNIT PRICE	AMOUNT
	CONTRACT #: SOURCE DOCUMENT: Method of Operation Recitals section "C" "At-Home" (the "At-Home" modality): \$111.00 ea Vault physician-ordered COVID-19 testing using the IBX saliva test. Service includes Vault real-time audio-visual supervision of collection of a saliva specimen at an Individual's home. Includes Vault-managed results reporting provided directly to the Vault patient as well as applicable health authorities and the State.					
1	MR #500000554245 GL #1.9200.50338.0000000.0.000.00000.00000 1 Month Supply of Covid Test Kits	11/11/22	6000000	\$	1	6,000,000.00
ORIG AMT	6,000,000.00	THIS CHANGE	0.00		** TOTAL:	\$ 6,000,000.00



WHEN THIS BOX IS CHECKED, THE TERMS AND CONDITIONS OF THE ATTACHED CONTRACT
 REPLACES THOSE SHOWN ON THE REVERSE SIDE OF THIS PURCHASE ORDER.

Authorized NJ Transit Signature / Date

[Signature] 11/11/2021

NEW JERSEY TRANSIT TERMS AND CONDITIONS

The following terms and conditions shall apply to all Purchase Orders (Contracts) made with NJ TRANSIT, unless the Contractor is specifically instructed otherwise, in writing. The terms “Purchase Order” and “Contract” shall be used interchangeably; references to the designations “Seller,” “Vendor,” “Provider” and “Contractor,” shall also be used interchangeably as each applies in context to the Sale of goods, or the provision of Services. BY PERFORMING THE WORK OR PROVIDING THE GOODS CONTEMPLATED, VENDOR EXPRESSLY AGREES TO ALL APPLICABLE TERMS AND CONDITIONS STATED HEREIN. IF THE VENDOR HAS ANY QUESTIONS ABOUT THESE TERMS AND CONDITIONS, PLEASE IMMEDIATELY CONTACT NJ TRANSIT’S PROCUREMENT DEPARTMENT.

1. STATE LAWS REQUIRING COMPLIANCE BY ALL CONTRACTORS

1.1 BUSINESS REGISTRATION

Pursuant to N J S A 52:32-44, NJ TRANSIT is prohibited from entering into a contract with an entity unless such entity and each subcontractor named in the bid or proposal have a valid Business Registration Certificate on file with the Division of Revenue. A Business Registration Certificate may be obtained filing a Form NJ-REG online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

1.2 USE TAX

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the “Sales and Use Tax Act” N J S A 54:32B-1 et seq. on all their sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Taxation at (609) 292-6400.

1.3 ANTI-DISCRIMINATION

All parties to any contract with the State agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N J S A 10:2-1 through -4, N J S A 10:5-1 et seq. and N J S A 10:5-31 through -38, and all applicable rules and regulations issued thereunder are hereby incorporated by reference. The agreement to abide by the provisions of N J S A 10:5-31 through -38 include those provisions indicated for Goods, Professional Service and General Service Contracts and Construction Contracts, as appropriate.

1.4 AMERICANS WITH DISABILITIES ACT

The contractor must comply with all provisions of the Americans with Disabilities Act (ADA), P L 101-336, in accordance with 42 U S C § 12101, et seq.

1.5 PAY TO PLAY PROHIBITIONS

Pursuant to N J S A 19:44A-20 13 et seq. (P L 2005, c 51), specifically N J S A 19:44A-20 21, if payment hereunder is in excess of \$17,500, it is a breach of the terms of the contract for the business entity to:

- A Make or solicit a contribution in violation of the statute;
- B Knowingly conceal or misrepresent a contribution given or received;
- C Make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;
- D Make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate of holder of the public office of Governor or Lieutenant Governor, or to any State or county party committee;
- E Engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of the Legislation;
- F Fund contributions made by third parties, including consultants, attorneys, family members, and employees;
- G Engage in any exchange of contributions to circumvent the intent of the Legislation; or
- H Directly or indirectly, through or by any other person or means, do any act which would subject that entity to the restrictions of the Legislation

1.6 POLITICAL CONTRIBUTION DISCLOSURE

The contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to N J S A 19:44A-20 27 (P L 2005, c 271, § 3 as amended) if in a calendar year the contractor receives one (1) or more contracts valued at \$50,000 00 or more. It is the contractor’s responsibility to determine if a filing is necessary. Failure to file can result in the imposition of penalties by ELEC. Additional information about this requirement is available from ELEC by calling (888) 313-3532 or on the web at <http://www.elec.state.nj.us/>.

1.7 RESTRICTION OF GIFTS

Seller, its officers, employees, representatives, agents and subcontractors agree(s) not to give any present or gift of money or any other gift or gratuity in any form whatsoever to any employee of NJ TRANSIT or his or her relatives or agents and abide by the provisions of the NJ TRANSIT CODE OF ETHICS, available at <https://www.njtransit.com/njt-code-vendor-ethics>

1.8 NOTICE TO ALL CONTRACTORS: SET-OFF FOR STATE TAX NOTICE

Pursuant to N J S A 54:49-19, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or

construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer’s or shareholder’s share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act. The Director of the Division of Taxation shall give notice of the set-off to the taxpayer or Provider, and provide an opportunity for a hearing within thirty (30) days of such notice under the procedures for protests established under N J S A 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to N J S A 52:32-32 et seq., to the taxpayer or Provider shall be stayed.

1.9 COMPLIANCE-LAWS

The contractor must comply with all local, State and Federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

1.10 APPLICABILITY OF STATE LAW

It is agreed and understood that the rights and obligations of the parties under this Contract shall be determined in accordance with the laws of the State of New Jersey.

1.11 OWNERSHIP DISCLOSURE FORM

All vendors shall provide to NJ TRANSIT prior to commencing any work, or have on file, a current Ownership Disclosure Form, <https://www.state.nj.us/treasury/purchase/forms/OwnershipDisclosure.pdf> pursuant to N J S A 52:25-24 2.

1.12 CORPORATE AUTHORITY

It is required that the Seller be authorized to do business in the State of New Jersey. If Seller is incorporated outside of New Jersey, it must file with the New Jersey Division of Revenue and Enterprise Services, as required by law.

2. STATE LAW REQUIRING MANDATORY COMPLIANCE UNDER CIRCUMSTANCES SET FORTH IN LAW OR BASED ON TYPE OF CONTRACT

2.1 PUBLIC WORKS CONTRACTOR REGISTRATION ACT

The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractor(s) who engage in any contract for public work as defined in N J S A 34:11-56 26 to be first registered with the New Jersey Department of Labor and Workforce Development pursuant to N J S A 34:11-56 51, prior to submitting any bid. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance at (609) 292-9464.

2.2 PREVAILING WAGE ACT

The New Jersey Prevailing Wage Act, N J S A 34:11-56 25 et seq. is hereby made part of every contract, except those contracts which are not within the contemplation of the Act. Acceptance of the work contemplated hereunder is its guarantee that neither it, nor any subcontractors it might employ to perform the work covered hereunder, has been suspended or debarred by the Commissioner, Department of Labor and Workforce Development for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Act; the contractor’s acceptance of the work is also its guarantee that it, and any subcontractors it might employ to perform the work covered by the scope of work, shall comply with the provisions of the Prevailing Wage Act and Public Works Contractor Registration Act, N J S A 34:11-56 48 et seq., where required.

2.3 PUBLIC WORKS CONTRACT - ADDITIONAL AFFIRMATIVE ACTION REQUIREMENTS

N J S A 10:2-1 requires that during the performance of this contract, the contractor must agree as follows:

- A In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- B No contractor, subcontractor, nor any person on their behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- C There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50 00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- D This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

2.4 BUILDING SERVICES

Pursuant to N J S A 34:11-56 58 et seq., in any contract for building services, as defined in N J S A 34:11-56 59, employees of the contractor or subcontractors shall be paid prevailing wage for building services. The prevailing wage shall be adjusted annually during the term of the contract.

2.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT

The provisions of N J S A 34 5A-1 et seq., which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to NJ TRANSIT must be labeled by the contractor in compliance with the provisions of the Act. Seller shall comply with the Occupational Health and Safety Act of 1970, as amended, 29 U S C § 651 et seq.

2.6 SERVICE PERFORMANCE WITHIN U.S.

Under N J S A 52:34-13 2, all contracts primarily for services awarded by NJ TRANSIT shall be performed within the United States. The contractor must certify that all service will be performed within the United States or provide such explanation why such services cannot be performed in the United States. Any services not performed within the United States are subject to waiver by the President & CEO of NJ TRANSIT if such explanation, in NJ TRANSIT’s sole discretion, meets the qualifications for such waiver under N J S A 52:34-13 2. A shift to performance of services outside the United States during the term of the contract shall be deemed a breach of contract. If, during the term of the contract, the contractor or subcontractor, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Section 4 7 of these Terms and Conditions.

2.7 BUY AMERICAN

Pursuant to N J S A 52:32-1, if manufactured items or farm products will be provided under this contract to be used in a public work, they shall be manufactured or produced in the United States and the contractor shall be required to so certify.

2.8 DIANE B. ALLEN EQUAL PAY ACT

Pursuant to N J S A 34:11-56 14, a contractor performing “qualifying services” or “public work” to the State or any agency or instrumentality of the State shall provide the Commissioner of Labor and Workforce Development a report regarding the compensation and hours worked by employees categorized by gender, race, ethnicity, and job category. For more information and report templates, see <https://nj.gov/labor/equalpay/equalpay.html>.

2.9 DISCLOSURE OF INVESTMENT IN IRAN FORM

Prior to the time of contract award, each Seller of Goods and Provider of Services, shall provide a satisfactory Disclosure of Investment Activities In Iran form, available at <https://www.state.nj.us/treasury/purchase/forms/DisclosureofInvestmentActivitiesinIran.pdf>, in accordance with N J S A 52:32-58.

2.10 CHAPTER 51/EO 117 & DISCLOSURE OF POLITICAL CONTRIBUTIONS

Sellers of Goods and Providers of Services totaling \$17,500 00 and above, must provide or have on file with NJ TRANSIT a current and accurate Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions form, approved within the last two (2) years. The form is available at <https://www.state.nj.us/treasury/purchase/forms/eo134/Chapter51.pdf>. Under N J S A 19:44A-20 26, for any contract not awarded pursuant to an open and competitive public advertisement, vendors shall also provide or have on file with NJ TRANSIT, a valid and accurate Vendor/Bidder Certification and Political Contribution Disclosure Ch. 271 form, current within the last twelve (12) months. See <https://www.state.nj.us/treasury/purchase/forms/CertandDisc2706.pdf>.

2.11 COOPERATIVE PURCHASING

If this contract has been procured through the use of cooperative purchasing, then this Purchase Order shall be deemed a participating addendum to the master agreement between the Vendor and the responsible agency. The terms and conditions of the master agreement between the Vendor and responsible agency shall apply, unless modifications have been made and accepted, in writing, by NJ TRANSIT. In the event any terms and conditions in the master agreement between the Vendor and agency conflict with applicable state or federal law, such terms shall not apply.

3.0 INDEMNIFICATION AND INSURANCE

3.1 INDEMNIFICATION

To the fullest extent permitted by Law, the Seller/Vendor shall defend, indemnify, protect and save harmless the State of New Jersey, NJ TRANSIT Corporation and its subsidiaries, their officers, directors, successors, assignees, employees, servant and agents (the “Indemnified Parties), irrespective of their negligence or fault, from and against all suits, claims, liabilities, demands, actions at law or equity, judgments, settlements, losses, damages, and expenses of every character whatsoever, including, personal injury, death, or occupational disease of any person, including any Vendor’s, Seller’s, Contractor’s or Subcontractor’s employees, or its agents, and not limited to, expenditures for and costs of investigations, hiring of expert witnesses, court costs, and counsel fees for injury (including death) sustained by the officers and employees and agents of NJ TRANSIT and its subsidiaries, the State of New Jersey, and all other persons whomsoever, which any or all of them may hereafter incur, be responsible for, or pay as a result of injury, death, disease, or occupational disease to any person, for damage (including environmental contamination and loss of use) to or loss of any property, including property of Railroad, or losses of any kind whatsoever, that, in whole or in part, actually or allegedly arise out of, relate to, result from, or are connected with in any degree directly or indirectly caused by or resulting from activities of or work performed by Seller/Vendor, its officers, employees, agents, servants, contractors, subcontractors, or any other person acting for or by permission of Seller/Vendor. The foregoing obligation shall not be limited by the existence of any insurance policy or by any limitation on the amount or type of damages, compensation, or benefits payable by or for Seller/Vendor or any contractor or subcontractor, and

shall survive the termination of this Agreement for any reason, and for damage to or loss or destruction of property of any kind, by whomsoever owned, caused by, resulting from, arising out of, or occurring in connection with the performance of this Agreement, and whether or not such injury (including death) or such damage to or loss or destruction of property are due to or chargeable to, in whole or in part, any alleged active or passive negligence or participation in the wrong or upon any alleged breach of any statutory duty or obligation by the State, NJ TRANSIT, its subsidiaries, or their officers, employees and agents NJ TRANSIT and its subsidiaries shall, as soon as practicable after claim has been made against one of them, give written notice thereof to Seller/Vendor along with complete particulars of the claim. If a suit is brought against one of them, it shall promptly forward to Seller/Vendor every demand, complaint, notice, summons, pleading or other process received by it and Seller/Vendor shall assume the defense of any such claim, including claims made under FELA. Neither NJ TRANSIT nor any of the Indemnified Parties would be subjected to any Claims under the Federal Employers' Liability Act ("FELA") based on the allegations of any type whatsoever, and Seller, its officers, employees, agents, servants, contractors, subcontractors, or any other person acting for or by permission of Seller/Vendor will promptly pick up the defense of NJ Transit and any of the Indemnified Parties should any claim be reported under FELA.

3.2 INSURANCE

The Seller shall maintain the following minimum insurance during this Contract and shall provide NJ TRANSIT with proof thereof, as requested

Comprehensive General Liability	\$5,000,000 per occurrence and per project annual aggregate
If Applicable, Contractor's Pollution Legal Insurance	\$2,500,000 per occurrence to covering third-party injury and property damage claims, including clean-up costs, as a result of pollution conditions arising from the Contractor's operations and completed operations. This insurance shall be maintained for no less than six (6) years after final completion
Comprehensive Automobile	\$2,500,000 per occurrence for bodily injury and property damage
If applicable, Products Liability Insurance	\$2,500,000 per occurrence
Worker's Compensation and Employer's Liability Insurance	\$1,000,000 each accident, \$1,000,000 each employee disease, or occupational disease, \$1,000,000 policy limit – disease, or occupational disease
If applicable, Federal Employer's Liability Act (FELA) Insurance	\$2,500,000 per claim

If Applicable, Railroad Protective Liability Insurance: Seller/Contractor shall furnish evidence in the form of a certified copy of the Railroad Protective Liability Insurance Policy that, with respect to the operations it, its contractors, or any of its subcontractors perform, it has provided Railroad Protective Liability Insurance (AAR-AASHO form) in the name of NJ TRANSIT, NJ TRANSIT Rail Operations, NJ TRANSIT's contract operator, and other operating railroad providing for a limit of not less than \$2,000,000 single limit bodily injury and/or property damage combined, for damages arising out of bodily injuries to or death of all persons in any one occurrence and for damage to or destruction of property, including the loss of use thereof, in any one occurrence. Such insurance shall be furnished with an aggregate of not less than \$6,000,000 for all damages as a result of more than one occurrence. Reference: "Standard Provisions for General Liability Policies" as contained in U.S. Department of Transportation, Federal Highway Administration, Federal Aid Highway Program Manual, Volume 6, Chapter 6, Section 2, Subsection 2, Attachment 1, as amended.

The liability insurance policies shall be written on ISO Form CG 20 10 10 01, for ongoing Operations Work, and ISO Form CG 20 37 10 01, for completed operations work, or its equivalent, and endorsed to name NJ TRANSIT, State of New Jersey, and any other entity that from time to time may be required, as additional insureds, and shall not include any exclusions for "action over claims" (insured vs. insured). The policy shall provide that there shall be no coverage exceptions for properties containing or adjacent to railroad facilities, and Vendor/Seller, or any of its contracting parties, shall provide the policy endorsement evidencing the contractual exclusion related to construction activity, or any access whatsoever, within fifty (50) feet of the railroad has been deleted.

Furthermore, all insurance policies shall contain a waiver of subrogation endorsement in the benefit of the additional insureds and shall be primary and non-contributory.

Any insurance or self-insurance maintained by the additional insureds shall not contribute to any loss. If the Vendor/Seller/Contractor carry higher limits those shall be made available to pay claims and to provide defense.

Any excess or umbrella policies shall be no less than a follow form of the liability, contractor's pollution, auto, and employer's liability policies, and shall have a liberalization clause with a drop-down provision.

All insurance policies shall be written with companies authorized to do business in the State of New Jersey, and with a financial strength rating of A-X or better by A.M. Best.

Vendor/Seller or any of its contracting parties shall furnish evidence of insurance as specified above at least fifteen (15) days prior to commencing any work, and 30 days' notice prior to the cancellation, renewal, or expiration of any insurance policy specified above.

NJ TRANSIT reserves the right to request additional limits or coverages as it deems required.

4. TERMS GOVERNING ALL CONTRACTS

4.1 SELLER'S STATUS

In supplying goods or services under this Contract, Seller shall operate as and have the status of an independent contractor and shall not act as, or be deemed, an employee or agent of NJ TRANSIT.

4.2 ASSIGNMENT AND SUBCONTRACTING

This Contract shall not be assigned or subcontracted by the Seller without the prior written consent of an authorized member of the NJ TRANSIT Procurement Department. Utilization of independent delivery services and similar activities are acceptable. Such consent, if granted, shall not relieve Seller of any responsibilities under this Contract.

4.3 APPLICABLE LAWS AND TAXES

This Contract shall be governed by and construed in accordance with the laws of the State of New Jersey. Seller agrees to comply with all federal, state and local laws, rules and regulations. Seller also agrees that any taxes to be paid as a result of this Contract will be paid by Seller and that NJ TRANSIT's obligation is limited to payment for the goods or services in accordance with the unit prices stated herein.

4.4 SUCCESSION

This Contract shall be binding upon the successors and assigns of NJ TRANSIT and Seller.

4.5 DELAYS AND NOTICE OF LABOR DISPUTES

Whenever the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor shall immediately give notice thereof, including all relevant information to NJ TRANSIT. Failure of Seller to so notify NJ TRANSIT shall result in a waiver of any rights that Seller may have for an extension of time under this Contract.

If delivery under this Contract should be unavoidably delayed, NJ TRANSIT will extend the time for completion of the Contract for the determined number of days of excusable delay. A delay is unavoidable only if the delay was not reasonably expected to occur in connection with or during Seller's performance, was not caused directly or substantially by the acts, omissions, negligence or mistakes of Seller, Seller's suppliers or their agents, was substantial and in fact caused Seller to miss delivery dates and could not adequately have been guarded against by contractual or legal means. When any delay in delivery or performance occurs, Seller shall notify NJ TRANSIT's Procurement Division within five (5) calendar days of the delay. Seller shall promptly confirm such notice in writing furnishing as much detail as is available.

It is expressly understood and agreed that the Seller shall not be entitled to damages or compensation for, and shall not be reimbursed for, losses on account of delays resulting from any cause under this provision.

4.6 TERMINATION FOR CONVENIENCE

- A. NJ TRANSIT shall have the right to terminate this Contract in whole or in part at any time, and from time to time, by written or electronic notice effective upon receipt by Seller of such notice, even though Seller is not in breach of any obligation hereunder. Upon receipt of notice of termination, Seller shall immediately discontinue performance and shall comply with NJ TRANSIT's instructions concerning disposition of completed and partially completed items, work in progress and materials acquired pursuant to this Contract. In the event of such termination, Seller shall be paid an amount in settlement to be mutually agreed upon by the Parties which shall cover Seller's reasonable costs of performance incurred prior to termination in connection with the items for which this Contract is terminated plus a reasonable profit based upon such costs. However, said payment shall not exceed the price specified herein for any goods. Seller shall advise NJ TRANSIT in writing, of Seller's claim, if any, for termination costs within twenty (20) calendar days after receipt of the notice of termination. Termination in accordance with this Article shall not affect NJ TRANSIT's obligation to pay for goods accepted by NJ TRANSIT prior to such termination.
- B. Nothing contained in paragraph (A) hereof shall limit or affect NJ TRANSIT's right to terminate this Contract for Seller's breach. The rights and remedies of NJ TRANSIT provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law, in equity or under this Contract.
- C. Any settlement will be in accordance with FAR 52.249-2.

4.7 TERMINATION FOR DEFAULT

- A. NJ TRANSIT may cancel this Contract in whole or in part by written or electronic written notice: (1) If the Seller fails to make delivery of goods or to perform the services within the time specified in this Contract or any increments thereof or extensions thereto, or (2) if the Seller fails to perform its obligations under any of the other Articles of this Contract, provided that the Seller shall fail to remedy any such condition within ten (10) calendar days from the date or receipt of a notice from NJ TRANSIT concerning the existence of the condition.

- B. In the event NJ TRANSIT cancels this Contract in whole or in part as provided in paragraph (a) of this Article, NJ TRANSIT may procure upon such terms and in such manner as NJ TRANSIT may deem appropriate, goods or services similar to those canceled, and the Seller shall be liable to NJ TRANSIT for any excess costs of such similar items or services. The Seller shall continue the performance of this Contract to the extent not canceled under the provisions of this Article.
- C. After receipt of notice of such cancellation, the Seller shall transfer title and deliver to NJ TRANSIT satisfactorily complete work and such work in progress as may be directed by NJ TRANSIT.
- D. The rights and remedies of NJ TRANSIT provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law, in equity or under this Contract.
- E. If, after notice of cancellation of this Contract under the provisions of this Article, it is determined that the Seller was not in default under the provisions of this Article, the rights and obligations of the parties shall be the same as if the notice of cancellation had been issued pursuant to Article 4.6 Termination for Convenience.

4.8 SUSPENSION OF WORK

- A. NJ TRANSIT shall have the right to direct the Seller in writing to suspend all or any part of the work for a period of time not to exceed twenty-five (25) calendar days.
- B. If work is suspended, an adjustment may, in the sole reasonable discretion of NJ TRANSIT, be made for any increase in the time and cost, exclusive of profit, of performing this Contract necessarily caused by such suspension, and this Contract shall be modified in writing accordingly.
- C. No claims shall be allowed under this Article unless the claim, in an amount stated, is asserted in writing within twenty (20) calendar days after the termination of the suspension. When the suspension has been terminated, the Seller shall immediately commence performance, notwithstanding the fact that there is no agreement as to the amount of the adjustment in the price of the Contract or a final determination as to a pending claim.

4.9 RELEASE OF CLAIMS

It is agreed that Seller's acceptance of final payment from NJ TRANSIT shall release in full all claims against NJ TRANSIT under this Contract.

4.10 NO WAIVER

No omission or delay by NJ TRANSIT at any time to enforce any right or remedy reserved to it or to require performance of any of the terms of this Contract shall be a waiver of any such right or remedy to which it is entitled, nor shall it in any way affect the right of NJ TRANSIT to enforce such provisions thereafter.

4.11 MAINTENANCE OF RECORDS AND AUDIT

During the term of this Contract and for five (5) years after final payment is made, Contractor shall maintain and make available for audit by NJ TRANSIT or its designee, or the Office of the State Comptroller, all books, records, receipts, documents, papers and any other data or information relevant to and related to this Contract.

4.12 COMMUNICATIONS

Communications shall be in writing and shall be delivered to the NJ TRANSIT Procurement Division and to Seller's officer designated to receive such communications. Telephone calls may be used to expedite communications but shall not be official communications unless confirmed in writing under letterhead, by e-mail or other such formal written instruments. Communications shall be considered received at the time actually received by the addressee or designated agent.

4.13 DELIVERY

Deliveries must be made both in quantities and at times specified herein, or as may be instructed by NJ TRANSIT, in writing. TIME IS OF THE ESSENCE. If Seller's deliveries fail to meet the schedule, NJ TRANSIT, without limiting its other rights or remedies, may direct expedited routing and any excess costs incurred thereby shall be debited to Seller's account. NJ TRANSIT shall not be liable for Seller's commitments or production arrangements in excess of the amount or in advance of the time necessary to meet NJ TRANSIT's delivery schedule. Goods, (including without limitation, raw materials, components, services, intermediate assemblies, constructions and products, computer software and data) which are delivered in advance of schedule may, at NJ TRANSIT's option, either (i) be returned at Seller's expense for proper delivery, (ii) have payment therefor withheld by NJ TRANSIT until the date goods are actually scheduled for delivery, or (iii) be placed in storage for Seller's account until the specified delivery date.

4.14 INSPECTION/REJECTION

- A. All goods shall be subject to inspection and test by NJ TRANSIT to the extent practicable at all times and places including the period and place of manufacture and in any event prior to acceptance.
- B. In case any goods or lots of goods are defective in material or workmanship or otherwise not in conformity with the requirements of this Contract, NJ TRANSIT shall have the right either to reject them, with or without instruction as to their disposition, to require their correction, or to require their replacement. Goods, or lots of goods, which have been rejected or required to be corrected shall be removed or, if permitted or required by NJ TRANSIT, corrected in place by and at the expense of the Seller promptly after notice. If Seller fails to remove goods or lots of goods, NJ TRANSIT either (1) may by separate contract or otherwise replace or correct such goods and charge to the Seller the additional cost incurred by NJ TRANSIT thereby, or (2) may cancel this Contract for default as provided in Article 4.7 "Termination for Default". Unless Seller corrects or replaces such goods within the delivery schedule, NJ TRANSIT either (1) may pay for such items at a reduced price which is equitable under the circumstances, or (2) may cancel this Contract for default as provided in Article 4.7.

- C If any inspection or test is made by NJ TRANSIT, the Seller without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of NJ TRANSIT's inspectors in the performance of their duties. All inspections and tests by NJ TRANSIT will be performed in such a manner as not to unduly delay the work. NJ TRANSIT reserves the right to charge to Seller any additional cost of inspection and test when goods are not ready at the time such inspection and test is scheduled by the parties or when re-inspection or retest is necessitated by prior rejection.
- D The Seller shall provide and maintain an inspection system acceptable to NJ TRANSIT covering the items hereunder. Records of all inspection work by Seller shall be kept complete and available to NJ TRANSIT during performance of this Contract and for such longer period as may be specified elsewhere in this Contract.
- E Unless otherwise provided herein, final inspection and acceptance shall be after delivery to NJ TRANSIT's facility. Acceptance or rejection of goods shall be made as promptly as practicable after delivery, but failure to inspect and accept or reject goods shall neither relieve Seller from responsibility for such goods that are not in accordance with the requirements of this Contract nor impose liability on NJ TRANSIT therefor.
- F The inspection and test by NJ TRANSIT of any goods or lots thereof does not relieve Seller of responsibility for defects or other failures to meet Contract requirements which may be discovered prior to acceptance or during any warranty period, or for latent defects.
- G If at any time during the performance of this Contract, or during the warranty period, it was known, or should have been known, by NJ TRANSIT that said goods did not conform to any or all of the requirements of this Contract, final acceptance or notice or particulars notwithstanding, the failure of NJ TRANSIT to inform the Seller of such non-conformance shall not be construed as a waiver of any rights NJ TRANSIT may have with respect to items purchased under this Contract.

4.15 ACCEPTANCE

The initiation of performance under this Contract shall constitute acceptance of the Contract by Seller, including all of the terms and conditions therein. This Contract expressly limits acceptance to the terms stated herein. Any terms proposed by Seller, including but not limited to, additional or differing terms are rejected and deemed a material alteration hereof, unless expressly agreed to in writing by an authorized representative of NJ TRANSIT's Procurement Division. For the sale of goods only, title to the goods (if any) passes to NJ TRANSIT upon delivery of the goods to the delivery location. Delivery is not complete until such goods have actually been received and accepted by an authorized representative of NJ TRANSIT. Seller bears all risk of loss or damage to the goods until delivery of the goods to the delivery location.

4.16 CHANGES

NJ TRANSIT may, at any time, make changes within the general scope of the Contract. If such changes cause an increase or decrease in the cost of this Contract or the time required to perform, an equitable adjustment shall be made, and the Contract modified in writing accordingly. Any claim hereunder must be asserted in writing within ten (10) calendar days from the date the change is ordered. Nothing contained herein shall excuse Seller from proceeding without delay with the Contract as changed including failure of the parties to agree upon any adjustment to be made under this Article. Changes shall not be binding upon NJ TRANSIT except when confirmed in writing by a member of NJ TRANSIT's Procurement Division. The issuance of information, advice, approvals or instructions by NJ TRANSIT's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect NJ TRANSIT's and Seller's rights and obligations hereunder, unless the same is in writing signed by an authorized representative of NJ TRANSIT's Procurement Division and which expressly states that it constitutes an amendment to this Contract.

4.17 WARRANTIES

Seller warrants that the goods or services covered hereunder shall conform to applicable specifications, instructions, drawings, data, and samples shall be merchantable, shall be of good material and workmanship, shall be free from defects, and shall be fit and sufficient for the purpose(s) intended. Seller warrants that all goods shall be free and clear from all liens, encumbrances or security interests and shall not infringe or misappropriate any letters patent, trademarks copyright, intellectual property rights or on the potential rights of any company or persons. These warranties shall be in addition to all other warranties, express, implied or statutory. These warranties shall run for a minimum of one year from time of acceptance of the goods or services by NJ TRANSIT. Receipt of, inspection of, or payment for goods or services shall not constitute a waiver of any breach of warranty.

4.18 TOOLS, MATERIALS AND INFORMATION

If any designs, sketches, drawings, blueprints, patents, dies, molds, masks, software, models, tools, gauges, equipment or special appliances should be made or procured by Seller especially for producing the items covered by this Contract, then immediately upon manufacture or procurement they shall become the property of NJ TRANSIT. Seller shall maintain current inventory list(s) of the foregoing. Any such item or any materials or any engineering data or other technical or proprietary information furnished by or paid for by NJ TRANSIT shall: (a) become and shall be identified as property of NJ TRANSIT, (b) be held by Seller on consignment at Seller's risk, (c) be used exclusively in the production for NJ TRANSIT of items required by this Contract, (d) be subject to disposition by NJ TRANSIT at any and all times and upon demand they shall be returned to NJ TRANSIT, and (e) not, if proprietary or deliberative in nature, be disclosed to any third party without the prior written consent of NJ TRANSIT. The Seller shall establish procedures for the adequate storage, maintenance and inspection of the foregoing and shall maintain inspection and inventory records therefore which shall be available to NJ TRANSIT upon request.

4.19 PACKING

Unless otherwise specified in this Contract, Seller shall be responsible for safe and adequate packing which shall conform to the requirements of carrier's tariffs and any specification(s) by NJ TRANSIT,

as appropriate to the nature of the items provided. Seller shall separately number all cases, packages, etc., showing the correspondence numbers on the invoices. An itemized packing slip, bearing this Contract number, shall be placed in each container. No extra charge shall be made for packaging or packing materials. Any costs for the return of packing materials shall be at Seller's expense and only upon written request to NJ TRANSIT prior to delivery and agreement by an authorized representative of NJ TRANSIT.

4.20 PRODUCT SUPPORT

- A The Seller warrants that the items purchased under this Contract, including sub-assemblies, service, and spare parts shall be available to NJ TRANSIT during the operational life of the goods purchased or a reasonable time after the date of final shipment under this Contract, whichever is later.
- B In the event the Seller discontinues service or manufacture of the aforementioned goods, sub-assemblies or spare parts therefore and does not provide for another qualified source, the Seller shall make available to NJ TRANSIT all drawings, specifications, data and know-how which will enable NJ TRANSIT to service, manufacture, or procure said goods, sub-assemblies and spare parts under a royalty-free license which is hereby granted. Seller shall give NJ TRANSIT timely written notice of such discontinuance.

4.21 USE OF INFORMATION; EQUAL EMPLOYMENT OPPORTUNITY

Seller agrees that all information heretofore or hereafter furnished or disclosed to NJ TRANSIT by Seller in connection with the placing or filing of this Contract is furnished or disclosed as a part of the consideration for this Contract, that such information is not, unless otherwise agreed to by NJ TRANSIT in writing, to be treated as confidential or proprietary and that the Seller shall assert no claims by reason of the use or disclosure of such information by NJ TRANSIT or its assigns.

As set forth in N J S A 10:5-31 et seq. and N J A C 17:27-3 5-3 6, during the performance of this Contract, the Seller agrees as follows:

- A The Seller/Contractor or subcontractor, where applicable, will not discriminate against employees or applicants for employment because of age, race, creed, color, national origin, ancestry, marital status or affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that all employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not be limited to, the following employment upgrading, demotion, or transfer, recruitment or recruitment-advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Seller agrees to post in conspicuous places available to employees and applicants for employment, notices by NJ TRANSIT setting forth provisions of this non-discrimination clause.
- B The Seller/Contractor or subcontractor, where applicable, will in all solicitations or advertisements for employees placed by or on behalf of the Seller, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.
- C The Seller/Contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by NJ TRANSIT, advising the labor union or worker's representative of the Seller's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D The Seller/Contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N J S A 10:5-31 et seq., as amended and supplemented from time to time.

4.22 MANDATORY GOOD FAITH EFFORTS TOWARD EEO

- A As set forth in N J A C 17:27-3 7, vendors providing goods or services shall abide by the following:
- (1) The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N J A C 17:27-5 2.
 - (2) The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.
 - (3) The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.
 - (4) In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

- B As set forth in N J A C 17:27-3 8, vendors performing construction work shall abide by the

provisions set forth in the referenced regulation. As set forth in N J A C 17:27-11 1, for vendors (and subcontractors) performing construction on public works, the contractor and its subcontractor(s) shall furnish such reports or other documents to the Division of Purchase & Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of the regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase & Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to N J A C 17:27-1 1 et seq.

5.0 TERMS RELATING TO PRICE AND PAYMENT

5.1 PRICES

NJ TRANSIT shall not be billed at prices higher than those stated on the Purchase Order (Contract). Unless otherwise specified, the price stated includes all charges for materials, services, labor, packing, hauling, storage and transportation to point of delivery. Seller will pay all delivery charges in excess of any delivery charge NJ TRANSIT has agreed to pay. Seller agrees that any price reduction made with respect to the items covered by this Contract subsequent to its placement but prior to shipment will be applicable to this Contract.

5.2 PAYMENT

NJ TRANSIT agrees to pay the Seller after receipt of properly executed invoices for the quantities of goods ordered, delivered and accepted by NJ TRANSIT, or all services satisfactorily completed as set forth in this Contract. Payment will only be rendered after Vendor satisfies all required compliance obligations. A separate invoice shall be issued for each shipment. Credit and discount periods shall be computed from the date of receipt of the correct invoice to the date NJ TRANSIT's check is mailed.

5.3 TAX CHARGES

NJ TRANSIT is exempt from State use and sales taxes and Federal excise taxes. They must not be included in Seller's price quotations or invoices. The State of New Jersey's Federal Excise Tax Exemption Number is 22-75-0050K; its N J State Exemption Number is 21-60000928.

5.4 AVAILABILITY OF FUNDS

NJ TRANSIT's obligation to make payment under this contract is contingent upon the availability of appropriated funds and receipt of revenues from which payment for contract purposes can be made. No legal liability on the part of NJ TRANSIT for payment of any money shall arise unless and until funds are appropriated each fiscal year by the State Legislature and made available through receipt of revenue.

6. TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Section 6 of the Standard Terms and Conditions apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200 317 et seq., and Appendix II thereto.

6.1 PROCUREMENT OF RECOVERED MATERIALS

To the extent that the scope of work or specifications in the contract requires the contractor to provide any items subject to section 6002 of the Solid Waste Disposal Act, this Section 6.1 of the Standard Terms and Conditions modifies the terms of the scope of work or specification.

Pursuant to 2 C F R 200 323, the Contractor agrees to provide a preference for those products and services that conserve natural resources, protect the environment and are energy efficient by complying with and facilitating compliance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U S C § 6962 ("RCRA"), and U S Environmental Protection Agency's "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C F R Part 247. Contractor further agrees to comply with any and all RCRA requirements applicable to the work.

6.2 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

During the performance of this contract, the contractor agrees as follows:

- A The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and

applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause

- B The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin
- C The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information
- D The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment
- E The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor
- F The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders
- G In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law
- H The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until

satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings

6.3 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction") In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States") The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

6.4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

6.5 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6.6 CLEAN AIR ACT, 42 U.S.C. §§ 7401-7671q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. §§ 1251-1387, AS AMENDED

Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

6.7 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

6.8 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. § 1352

Contractors that apply for or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, member of Congress, officer or employee of Congress, or employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

6.9 DOMESTIC PREFERENCES FOR PROCUREMENTS

In accordance with 2 CFR 200.322, the Contractor is advised of NJ TRANSIT's preference, to the greatest extent practicable, for the purchase, acquisition, or use of goods, products, or materials, produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

For purposes of this section, "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials

composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber

6.10 CERTIFICATION OF NO TAX LIABILITY OR FELONY CONVICTION

As a condition of any award relating to the Purchase Order, a private corporation, partnership, trust, joint-stock company, sole proprietorship, or any other business association, including each participant in a joint venture, hereby certifies, under penalty of perjury, that it has no unpaid federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability. Any such entity also certifies that it has not been convicted of any felony criminal violation under any federal law within the 24 months preceding the effective date of this Purchase Order.

Furthermore, any such entity is responsible for flowing down the requirements of the above paragraph to all lower tier subcontractors or subconsultants (including sub-subcontractors and sub-subconsultants, etc.), without regard to the value of any such subagreement (or sub-subagreement, etc.).

6.11 FEDERAL PROVISIONS RELATED TO CERTAIN TELECOMMUNICATIONS EQUIPMENT

The vendor shall abide by 2 CFR 200.216, which prohibits recipients and subrecipients of federal funds from entering into contracts (or extending or renewing a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Covered telecommunications equipment means telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Additional prohibitions include:

- (1) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities)
- (2) Telecommunications or video surveillance services provided by such entities or using such equipment
- (3) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

The vendor agrees to extend this provision to its subcontractors



**STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY**

**33 WEST STATE STREET, P.O. BOX 230
TRENTON, NEW JERSEY 08625-0230**

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

1. STANDARD TERMS AND CONDITIONS APPLICABLE TO THE CONTRACT

Unless the bidder/offeror is specifically instructed otherwise in the Request for Proposals (RFP), the following terms and conditions shall apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the RFP and should be read in conjunction with same unless the RFP specifically indicates otherwise. In the event that the bidder/offeror would like to present terms and conditions that are in conflict with either these terms and conditions or those set forth in the RFP, the bidder/offeror must present those conflicts during the Question and Answer period for the State to consider. Any conflicting terms and conditions that the State is willing to accept will be reflected in an addendum to the RFP. The State's terms and conditions shall prevail over any conflicts set forth in a bidder/offeror's Proposal that were not submitted through the question and answer process and approved by the State. Nothing in these terms and conditions shall prohibit the Director of the Division of Purchase and Property (Director) from amending a contract when the Director determines it is in the best interests of the State.

1.1 CONTRACT TERMS CROSSWALK

NJSTART Term	Equivalent Statutory, Regulatory and/or Legacy Term
Bid/Bid Solicitation	Request For Proposal (RFP)/Solicitation
Bid Amendment	Addendum
Change Order	Contract Amendment
Master Blanket Purchase Order (Blanket P.O.)	Contract
Offer and Acceptance Page	Signatory Page
Quote	Proposal
Vendor	Bidder/Contractor

2. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

The statutes, laws or codes cited herein are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.

2.1 BUSINESS REGISTRATION

Pursuant to N.J.S.A. 52:32-44, the State is prohibited from entering into a contract with an entity unless the bidder and each subcontractor named in the proposal have a valid Business Registration Certificate on file with the Division of Revenue and Enterprise Services. A subcontractor named in a bid or other proposal shall provide a copy of its business registration to the bidder who shall provide it to the State.

The contractor shall maintain and submit to the State a list of subcontractors and their addresses that may be updated from time to time with the prior written consent of the Director during the course of contract performance. The contractor shall submit to the State a complete and accurate list of all subcontractors used and their addresses before final payment is made under the contract.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration, or that provides false business registration information, shall be liable for a penalty of

\$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury, the Use Tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

2.2 ANTI-DISCRIMINATION

All parties to any contract with the State agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq. and N.J.S.A. 10:5-31 through 10:5-38, and all rules and regulations issued thereunder are hereby incorporated by reference. The agreement to abide by the provisions of N.J.S.A. 10:5-31 through 10:5-38 include those provisions indicated for Goods, Professional Service and General Service Contracts (Exhibit A, attached) and Constructions Contracts (Exhibit B and Executive Order 151, August 28, 2009, attached) as appropriate.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time.

2.3 PREVAILING WAGE ACT

The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.25 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on [this proposal] is his/her guarantee that neither he/she nor any subcontractors he/she might employ to perform the work covered by [this proposal] has been suspended or debarred by the Commissioner, Department of Labor and Workforce Development for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Acts; the bidder's signature on the proposal is also his/her guarantee that he/she and any subcontractors he/she might employ to perform the work covered by [this proposal] shall comply with the provisions of the Prevailing Wage and Public Works Contractor Registration Acts, where required.

2.4 AMERICANS WITH DISABILITIES ACT

The contractor must comply with all provisions of the Americans with Disabilities Act (ADA), P.L. 101-336, in accordance with 42 U.S.C. 12101, et seq.

2.5 MACBRIDE PRINCIPLES

The bidder must certify pursuant to N.J.S.A. 52:34-12.2 that it either has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein or that it will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

2.6 PAY TO PLAY PROHIBITIONS

Pursuant to N.J.S.A. 19:44A-20.13 et seq. (P.L. 2005, c. 51), and specifically, N.J.S.A. 19:44A-20.21, it shall be a breach of the terms of the contract for the business entity to:

- A. Make or solicit a contribution in violation of the statute;
- B. Knowingly conceal or misrepresent a contribution given or received;

- C. Make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;
- D. Make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor or Lieutenant Governor, or to any State or county party committee;
- E. Engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of the Legislation;
- F. Fund contributions made by third parties, including consultants, attorneys, family members, and employees;
- G. Engage in any exchange of contributions to circumvent the intent of the Legislation; or
- H. Directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of the Legislation.

2.7 POLITICAL CONTRIBUTION DISCLOSURE

The contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to N.J.S.A. 19:44A-20.27 (P.L. 2005, c. 271, §3 as amended) if in a calendar year the contractor receives one (1) or more contracts valued at \$50,000.00 or more. It is the contractor's responsibility to determine if filing is necessary. Failure to file can result in the imposition of penalties by ELEC. Additional information about this requirement is available from ELEC by calling 1(888)313-3532 or on the internet at <http://www.elec.state.nj.us/>.

2.8 STANDARDS PROHIBITING CONFLICTS OF INTEREST

The following prohibitions on contractor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b. and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g;

The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the New Jersey Office of the Attorney General and the Executive Commission on Ethical Standards, now known as the State Ethics Commission;

No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he/she is employed or associated or in which he/she has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, now known as the State Ethics Commission, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest;

No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his/her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee;

No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his/her official position to secure unwarranted privileges or advantages for the vendor or any other person; and

The provisions cited above in paragraphs 2.8a through 2.8e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards, now known as the State Ethics Commission may promulgate under paragraph 3c of Executive Order No. 189.

2.9 NOTICE TO ALL CONTRACTORS SET-OFF FOR STATE TAX NOTICE

Pursuant to N.J.S.A. 54:49-19, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

2.10 COMPLIANCE - LAWS

The contractor must comply with all local, State and Federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

2.11 COMPLIANCE - STATE LAWS

It is agreed and understood that any contracts and/or orders placed as a result of [this proposal] shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of New Jersey.

2.12 WARRANTY OF NO SOLICITATION ON COMMISSION OR CONTINGENT FEE BASIS

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. If a breach or violation of this section occurs, the State shall have the right to terminate the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

3. STATE LAW REQUIRING MANDATORY COMPLIANCE BY CONTRACTORS UNDER CIRCUMSTANCES SET FORTH IN LAW OR BASED ON THE TYPE OF CONTRACT

3.1 COMPLIANCE - CODES

The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor shall be responsible for securing and paying all necessary permits, where applicable.

3.2 PUBLIC WORKS CONTRACTOR REGISTRATION ACT

The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractor(s) who engage in any contract for public work as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development pursuant to N.J.S.A. 34:11-56.51. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance at (609) 292-9464.

3.3 PUBLIC WORKS CONTRACT - ADDITIONAL AFFIRMATIVE ACTION REQUIREMENTS

N.J.S.A. 10:2-1 requires that during the performance of this contract, the contractor must agree as follows:

- A. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- B. No contractor, subcontractor, nor any person on his/her behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- C. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- D. This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

N.J.S.A. 10:5-33 and N.J.A.C. 17:27-3.5 require that during the performance of this contract, the contractor must agree as follows:

- A. The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment

advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause;

- B. The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex;
- C. The contractor or subcontractor where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment, N.J.A.C. 17:27-3.7 requires all contractors and subcontractors, if any, to further agree as follows:
 - 1. The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2;
 - 2. The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices;
 - 3. The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions; and
 - 4. In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

3.4 BUILDING SERVICE

Pursuant to N.J.S.A. 34:11-56.58 et seq., in any contract for building services, as defined in N.J.S.A. 34:11-56.59, the employees of the contractor or subcontractors shall be paid prevailing wage for building services rates, as defined in N.J.S.A. 34:11-56.59. The prevailing wage shall be adjusted annually during the term of the contract.

3.5 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT

The provisions of N.J.S.A. 34:5A-1 et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the statute.

3.6 SERVICE PERFORMANCE WITHIN U.S.

Under N.J.S.A. 52:34-13.2, all contracts primarily for services awarded by the Director shall be performed within the United States, except when the Director certifies in writing a finding that a

required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer.

A shift to performance of services outside the United States during the term of the contract shall be deemed a breach of contract. If, during the term of the contract, the contractor or subcontractor, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Section 5.7(b) (1) of the Standard Terms and Conditions, unless previously approved by the Director and the Treasurer.

3.7 BUY AMERICAN

Pursuant to N.J.S.A. 52:32-1, if manufactured items or farm products will be provided under this contract to be used in a public work, they shall be manufactured or produced in the United States and the contractor shall be required to so certify.

3.8 DIANE B. ALLEN EQUAL PAY ACT

Pursuant to N.J.S.A. 34:11-56.14, a contractor performing “qualifying services” or “public work” to the State or any agency or instrumentality of the State shall provide the Commissioner of Labor and Workforce Development a report regarding the compensation and hours worked by employees categorized by gender, race, ethnicity, and job category. For more information and report templates see <https://nj.gov/labor/equalpay/equalpay.html>.

4. INDEMNIFICATION AND INSURANCE

4.1 INDEMNIFICATION

The contractor’s liability to the State and its employees in third party suits shall be as follows:

- A. Indemnification for Third Party Claims - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract, including liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract;
- B. The contractor’s indemnification and liability under subsection (a) is not limited by, but is in addition to the insurance obligations contained in Section 4.2 of these Terms and Conditions; and
- C. In the event of a patent and copyright claim or suit, the contractor, at its option, may: (1) procure for the State of New Jersey the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.

4.2 INSURANCE

The contractor shall secure and maintain in force for the term of the contract insurance as provided herein. All required insurance shall be provided by insurance companies with an A-VIII or better rating by A.M. Best & Company. All policies must be endorsed to provide 30 days’ written notice of cancellation or material change to the State of New Jersey at the address shown below. If the contractor’s insurer cannot provide 30 days written notice, then it will become the obligation of the contractor to provide the same. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof. Renewal certificates shall be provided within 30 days of the expiration of the insurance. The contractor shall not begin to provide services or goods to the State until evidence of the required insurance is provided. The certificates of insurance shall indicate the contract number or purchase order number and title of the contract in the Description

of Operations box and shall list the State of New Jersey, Department of the Treasury, Division of Purchase & Property, Contract Compliance & Audit Unit, P.O. Box 236, Trenton, New Jersey 08625 in the Certificate Holder box. The certificates and any notice of cancelation shall be emailed to the State at:

ccau.certificate@treas.nj.gov

The insurance to be provided by the contractor shall be as follows:

- A. Occurrence Form Commercial General Liability Insurance or its equivalent: The minimum limit of liability shall be \$1,000,000 per occurrence as a combined single limit for bodily injury and property damage. The above required Commercial General Liability Insurance policy or its equivalent shall name the State, its officers, and employees as "Additional Insureds" and include the blanket additional insured endorsement or its equivalent. The coverage to be provided under these policies shall be at least as broad as that provided by the standard basic Commercial General Liability Insurance occurrence coverage forms or its equivalent currently in use in the State of New Jersey, which shall not be circumscribed by any endorsement limiting the breadth of coverage;
- B. Automobile Liability Insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1,000,000 per occurrence as a combined single limit. The State must be named as an "Additional Insured" and a blanket additional insured endorsement or its equivalent must be provided when the services being procured involve vehicle use on the State's behalf or on State controlled property;
- C. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:
 - 1. \$1,000,000 BODILY INJURY, EACH OCCURRENCE;
 - 2. \$1,000,000 DISEASE EACH EMPLOYEE; and
 - 3. \$1,000,000 DISEASE AGGREGATE LIMIT.
 - A. This \$1,000,000 amount may have been raised by the RFP when deemed necessary by the Director; and
 - B. In the case of a contract entered into pursuant to N.J.S.A. 52:32-17 et seq., (small business set asides) the minimum amount of insurance coverage in subsections a., b., and c. above may have been lowered in the RFP for certain commodities when deemed in the best interests of the State by the Director.

5. TERMS GOVERNING ALL CONTRACTS

5.1 CONTRACTOR IS INDEPENDENT CONTRACTOR

The contractor's status shall be that of any independent contractor and not as an employee of the State.

5.2 CONTRACT AMOUNT

The estimated amount of the contract(s), when stated on the RFP form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of the RFP or any contract entered into as a result of the RFP.

5.3 CONTRACT TERM AND EXTENSION OPTION

If, in the opinion of the Director, it is in the best interest of the State to extend a contract, the contractor shall be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the term and period of performance of the contract. If the contractor agrees to the

extension, all terms and conditions of the original contract shall apply unless more favorable terms for the State have been negotiated.

5.4 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any deliverable, task or subtask called for under this contract. In such an event, the Director shall provide to the contractor advance written notice of the change in scope of work and what the Director believes should be the corresponding adjusted contract price. Within five (5) business days of receipt of such written notice, if either is applicable:

- A. If the contractor does not agree with the Director's proposed adjusted contract price, the contractor shall submit to the Director any additional information that the contractor believes impacts the adjusted contract price with a request that the Director reconsider the proposed adjusted contract price. The parties shall negotiate the adjusted contract price. If the parties are unable to agree on an adjusted contract price, the Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the final adjusted contract price; and
- B. If the contractor has undertaken any work effort toward a deliverable, task or subtask that is being changed or eliminated such that it would not be compensated under the adjusted contract, the contractor shall be compensated for such work effort according to the applicable portions of its price schedule and the contractor shall submit to the Director an itemization of the work effort already completed by deliverable, task or subtask within the scope of work, and any additional information the Director may request. The Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the compensation to be paid for such work effort.

5.5 CHANGE IN LAW

If, after award, a change in applicable law or regulation occurs which affects the Contract, the parties may amend the Contract, including pricing, in order to provide equitable relief for the party disadvantaged by the change in law. The parties shall negotiate in good faith, however if agreement is not possible after reasonable efforts, the Director shall make a prompt decision as to an equitable adjustment, taking all relevant information into account, and shall notify the Vendor {Contractor} of the final adjusted contract price.

5.6 SUSPENSION OF WORK

The State may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid for goods ordered, goods delivered, or services requested and performed until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director shall make an equitable adjustment, if any is required, to the contract price. The contractor shall provide whatever information that Director may require related to the equitable adjustment.

5.7 TERMINATION OF CONTRACT

- A. For Convenience:
Notwithstanding any provision or language in this contract to the contrary, the Director may terminate this contract at any time, in whole or in part, for the convenience of the State, upon no less than 30 days written notice to the contractor;
- B. For Cause:
 - 1. Where a contractor fails to perform or comply with a contract or a portion thereof, and/or fails to comply with the complaints procedure in N.J.A.C. 17:12-4.2 et seq., the Director

may terminate the contract, in whole or in part, upon ten (10) days' notice to the contractor with an opportunity to respond; and

2. Where in the reasonable opinion of the Director, a contractor continues to perform a contract poorly as demonstrated by e.g., formal complaints, late delivery, poor performance of service, short-shipping, so that the Director is required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq., and there has been a failure on the part of the contractor to make progress towards ameliorating the issue(s) or problem(s) set forth in the complaint, the Director may terminate the contract, in whole or in part, upon ten (10) days' notice to the contractor with an opportunity to respond.
- C. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond; and
 - D. In the event of termination under this section, the contractor shall be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

5.8 SUBCONTRACTING OR ASSIGNMENT

- A. Subcontracting: The contractor may not subcontract other than as identified in the contractor's proposal without the prior written consent of the Director. Such consent, if granted in part, shall not relieve the contractor of any of his/her responsibilities under the contract, nor shall it create privity of contract between the State and any subcontractor. If the contractor uses a subcontractor to fulfill any of its obligations, the contractor shall be responsible for the subcontractor's: (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws; and
- B. Assignment: The contractor may not assign its responsibilities under the contract, in whole or in part, without the prior written consent of the Director.

5.9 NO CONTRACTUAL RELATIONSHIP BETWEEN SUBCONTRACTORS AND STATE

Nothing contained in any of the contract documents, including the RFP and vendor's bid or proposal shall be construed as creating any contractual relationship between any subcontractor and the State.

5.10 MERGERS, ACQUISITIONS

If, during the term of this contract, the contractor shall merge with or be acquired by another firm, the contractor shall give notice to the Director as soon as practicable and in no event longer than 30 days after said merger or acquisition. The contractor shall provide such documents as may be requested by the Director, which may include but need not be limited to the following: corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices; updated information including ownership disclosure and Federal Employer Identification Number. The documents must be submitted within 30 days of the request. Failure to do so may result in termination of the contract for cause.

If, at any time during the term of the contract, the contractor's partnership, limited liability company, limited liability partnership, professional corporation, or corporation shall dissolve, the Director must be so notified. All responsible parties of the dissolved business entity must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment shall be made until all parties to the dissolved business entity submit the required documents to the Director.

5.11 PERFORMANCE GUARANTEE OF CONTRACTOR

The contractor hereby certifies that:

- a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice;
- b. All equipment supplied to the State and operated by electrical current is UL listed where applicable;
- c. All new machines are to be guaranteed as fully operational for the period stated in the contract from time of written acceptance by the State. The contractor shall render prompt service without charge, regardless of geographic location;
- d. Sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters;
- e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice;
- f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract; and
- g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

5.12 DELIVERY REQUIREMENTS

- A. Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the contract;
- B. The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice;
- C. Items delivered must be strictly in accordance with the contract; and
- D. In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the contract, the using agency shall be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor.

5.13 APPLICABLE LAW AND JURISDICTION

This contract and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations and rules of evidence of the State of New Jersey without reference to conflict of laws principles and shall be filed in the appropriate Division of the New Jersey Superior Court.

5.14 CONTRACT AMENDMENT

Except as provided herein, the contract may only be amended by written agreement of the State and the contractor.

5.15 MAINTENANCE OF RECORDS

The contractor shall maintain records for products and/or services delivered against the contract for a period of five (5) years from the date of final payment unless a longer period is required by law. Such records shall be made available to the State, including the Comptroller, for audit and review.

5.16 ASSIGNMENT OF ANTITRUST CLAIM(S)

The contractor recognizes that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the ultimate purchaser. Therefore, and as consideration for executing this contract, the contractor, acting herein by and through its duly authorized agent, hereby conveys, sells, assigns, and transfers to the State of New Jersey, for itself and on behalf of its political subdivisions and public agencies, all right, title and interest to all claims and causes of action it may now or hereafter acquire under the antitrust laws of the United States or the State of New Jersey, relating to the particular goods and services purchased or acquired by the State of New Jersey or any of its political subdivisions or public agencies pursuant to this contract.

In connection with this assignment, the following are the express obligations of the contractor:

- A. It shall take no action that will in any way diminish the value of the rights conveyed or assigned hereunder;
- B. It shall advise the Attorney General of New Jersey:
 - 1. In advance of its intention to commence any action on its own behalf regarding any such claim or cause(s) of action; and
 - 2. Immediately upon becoming aware of the fact that an action has been commenced on its behalf by some other person(s) of the pendency of such action.
- C. It shall notify the defendants in any antitrust suit of the within assignment at the earliest practicable opportunity after the contractor has initiated an action on its own behalf or becomes aware that such an action has been filed on its behalf by another person. A copy of such notice shall be sent to the Attorney General of New Jersey; and
- D. It is understood and agreed that in the event any payment under any such claim or cause of action is made to the contractor, it shall promptly pay over to the State of New Jersey the allotted share thereof, if any, assigned to the State hereunder.

6. TERMS RELATING TO PRICE AND PAYMENT

6.1 PRICE FLUCTUATION DURING CONTRACT

Unless otherwise agreed to in writing by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract. In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions may result in cancellation of contract for cause, pursuant to provision 5.7(b)1.

In an exceptional situation the State may consider a price adjustment. Requests for price adjustments must include justification and documentation.

6.2 TAX CHARGES

The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

6.3 PAYMENT TO VENDORS

- a. The using agency(ies) is (are) authorized to order and the contractor is authorized to ship only those items covered by the contract resulting from the RFP. If a review of orders placed by the using agency(ies) reveals that goods and/or services other than that covered by the contract have been ordered and delivered, such delivery shall be a violation of the terms of the contract and may be considered by the Director as a basis to terminate the contract and/or not award the contractor a subsequent contract. The Director may take such steps as are necessary to have the items returned by the agency, regardless of the time between the date of delivery and discovery of the violation. In such event, the contractor shall reimburse the State the full purchase price;
- b. The contractor must submit invoices to the using agency with supporting documentation evidencing that work or goods for which payment is sought has been satisfactorily completed or delivered. For commodity contracts, the invoice, together with the original Bill of Lading, express receipt and other related papers must be sent to the State Contract Manager or using agency on the date of each delivery. For contracts featuring services, invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager or using agency before payment will be authorized;
- c. In all time and materials contracts, the State Contract Manager or designee shall monitor and approve the hours of work and the work accomplished by contractor and shall document both the work and the approval. Payment shall not be made without such documentation. A form of timekeeping record that should be adapted as appropriate for the Scope of Work being performed can be found at www.nj.gov/treasury/purchase/forms/Vendor_Timesheet.xls; and
- d. The contractor shall provide, on a monthly and cumulative basis, a breakdown in accordance with the budget submitted, of all monies paid to any small business, minority or woman-owned subcontractor(s). This breakdown shall be sent to the Chief of Operations, Division of Revenue, P.O. Box 628, Trenton, NJ 08646.

6.4 OPTIONAL PAYMENT METHOD: P-CARD

The State offers contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State agency's use of the p-card are optional. P-card transactions do not require the submission of a contractor invoice; purchasing transactions using the p-card will usually result in payment to a contractor in three (3) days. A contractor should take note that there will be a transaction-processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the MasterCard. Additional information can be obtained from banks or merchant service companies.

6.5 NEW JERSEY PROMPT PAYMENT ACT

The New Jersey Prompt Payment Act, N.J.S.A. 52:32-32 et seq., requires state agencies to pay for goods and services within 60 days of the agency's receipt of a properly executed State Payment Voucher or within 60 days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the State prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest shall not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

6.6 AVAILABILITY OF FUNDS

The State's obligation to make payment under this contract is contingent upon the availability of appropriated funds and receipt of revenues from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless and until funds are appropriated each fiscal year to the using agency by the State Legislature and made available through receipt of revenue.

7. TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Section 7 of the Standard Terms and Conditions apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317.

7.1 PROCUREMENT OF RECOVERED MATERIALS

To the extent that the scope of work or specifications in the contract requires the contractor to provide any of the following items, this Section 7.1 of the Standard Terms and Conditions modifies the terms of the scope of work or specification.

Pursuant to 2 CFR 200.322, the contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$ 10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$ 10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- A. Designated items are those set forth in 40 CFR 247 subpart B, as may be amended from time to time, including:
 - 1. Paper and paper products listed in 40 C.F.R. 247.10;
 - 2. Certain vehicular products as listed in 40 CFR 247.11;
 - 3. Certain construction products listed in 40 C.F.R. 247.12;
 - 4. Certain transportation products listed in 40 C.F.R. 247.13;
 - 5. Certain park and recreation products, 40 C.F.R. 247.14;
 - 6. Certain landscaping products listed in 40 C.F.R. 247.15;
 - 7. Certain non-paper office products listed in 40 C.F.R. 247.16; and
 - 8. Other miscellaneous products listed in 40 C.F.R. 247.17.
- B. As defined in 40 CFR 247.3, "recovered material" means:
 - 1. waste materials and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process; and
 - 2. for purposes of purchasing paper and paper products, means waste material and byproducts that have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process. In the case of paper and paper products, the term recovered materials includes:
 - a. Postconsumer materials such as --
 - i. Paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after they have passed through their end-usage as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; and
 - ii. All paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste, and
 - b. Manufacturing, forest residues, and other wastes such as --

- i. Dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel in smaller rolls of rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste, resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and
 - ii. Finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others;
 - iii. Fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes, flax, straw, linters, bagasse, slash, and other forest residues;
 - iv. Wastes generated by the conversion of goods made from fibrous material (that is, waste rope from cordage manufacture, textile mill waste, and cuttings); and
 - v. Fibers recovered from waste water which otherwise would enter the waste stream.
- C. For contracts in an amount greater than \$ 100,000, at the beginning of each contract year, contractor shall provide the State estimates of the total percentage of recovered material utilized in the performance of its contract for each of the categories listed in subsection (A). For all contracts subject to this Section 7.1 of the Standard Terms and Conditions, at the conclusion of each contract year, contractor shall certify to the State the minimum recovered material content actually utilized in the prior contract year.

7.2 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
 Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about,

discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

7.3 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$ 2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

7.4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$ 100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

7.5 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

7.6 CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Contracts and subgrants of amounts in excess of \$ 150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7.7 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

7.8 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or bid for an award exceeding \$ 100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.A.C. 17:27 et seq.

GOODS, GENERAL SERVICE AND PROFESSIONAL SERVICES CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval;

Certificate of Employee Information Report; or

Employee Information Report Form AA302 (electronically provided by the Division and distributed to the public agency through the Division's website at http://www.state.nj.us/treasury/contract_compliance).

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase and Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase and Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to **N.J.A.C. 17:27-1 et seq.**

EXHIBIT B

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.S.A. 10:5-39 et seq. (P.L. 1983, c. 197)

N.J.A.C. 17:27-1.1 et seq.

CONSTRUCTION CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, up grading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

N.J.S.A. 10:5-39 et seq. requires contractors, subcontractors, and permitted assignees performing construction, alteration, or repair of any building or public work in excess of \$250,000 to guarantee equal employment opportunity to veterans.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

When hiring or scheduling workers in each construction trade, the contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with the targeted employment goal prescribed by N.J.A.C. 17:27-7.2; provided, however, that the Dept. of LWD, Construction EEO Monitoring Program may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed by the following provisions, A, B and C, as long as the Dept. of LWD, Construction EEO Monitoring Program is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Dept. of LWD, Construction EEO Monitoring Program, that its percentage of active "card carrying" members who are minority and women workers is equal to or greater than the targeted employment goal established in accordance with N.J.A.C. 17:27-7.2. The contractor or subcontractor agrees that a good faith effort shall include compliance with the following procedures:

- (A) If the contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the contractor or subcontractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et. seq., as supplemented and amended from time to time and the Americans with Disabilities Act. If the contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to the commencement of construction work, the contractor or subcontractor agrees to afford equal employment opportunities minority and women workers directly, consistent with this chapter. If the contractor's or subcontractor's prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with affording equal employment opportunities as specified in this chapter, the contractor or subcontractor agrees to be prepared to provide such opportunities to minority and women workers directly, consistent with this chapter, by complying with the hiring or scheduling procedures prescribed under (B) below; and the contractor or subcontractor further agrees to take said action immediately if it determines that the union is not referring minority and women workers consistent with the equal employment opportunity goals set forth in this chapter.
- (B) If good faith efforts to meet targeted employment goals have not or cannot be met for each construction trade by adhering to the procedures of (A) above, or if the contractor does not have a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor agrees to take the following actions:
- (1) To notify the public agency compliance officer, the Dept. of LWD, Construction EEO Monitoring Program, and minority and women referral organizations listed by the Division pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;
 - (2) To notify any minority and women workers who have been listed with it as awaiting available vacancies;
 - (3) Prior to commencement of work, to request that the local construction trade union refer minority and women workers to fill job openings, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade;
 - (4) To leave standing requests for additional referral to minority and women workers with the local construction trade union, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade, the State Training and Employment Service and other approved referral sources in the area;
 - (5) If it is necessary to lay off some of the workers in a given trade on the construction site, layoffs shall be conducted in compliance with the equal employment opportunity and non-discrimination standards set forth in this regulation, as well as with applicable Federal and State court decisions;
 - (6) To adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:
 - (i) The contractor or subcontractor shall interview the referred minority or women worker.
 - (ii) If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall in good faith

determine the qualifications of such individuals. The contractor or subcontractor shall hire or schedule those individuals who satisfy appropriate qualification standards in conformity with the equal employment opportunity and non-discrimination principles set forth in this chapter. However, a contractor or subcontractor shall determine that the individual at least possesses the requisite skills, and experience recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the Dept. of LWD, Construction EEO Monitoring Program. If necessary, the contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of the requirements, however, are limited by the provisions of (C) below.

(iii) The name of any interested women or minority individual shall be maintained on a waiting list, and shall be considered for employment as described in (i) above, whenever vacancies occur. At the request of the Dept. of LWD, Construction EEO Monitoring Program, the contractor or subcontractor shall provide evidence of its good faith efforts to employ women and minorities from the list to fill vacancies.

(iv) If, for any reason, said contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the public agency compliance officer and to the Dept. of LWD, Construction EEO Monitoring Program.

(7) To keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the Dept. of LWD, Construction EEO Monitoring Program and submitted promptly to the Dept. of LWD, Construction EEO Monitoring Program upon request.

(C) The contractor or subcontractor agrees that nothing contained in (B) above shall preclude the contractor or subcontractor from complying with the union hiring hall or apprenticeship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the exclusion of minorities and women or the failure to refer minorities and women consistent with the targeted county employment goal, the contractor or subcontractor shall consider for employment persons referred pursuant to (B) above without regard to such agreement or arrangement; provided further, however, that the contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, the contractor or subcontractor agrees that, in implementing the procedures of (B) above, it shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union.

After notification of award, but prior to signing a construction contract, the contractor shall submit to the public agency compliance officer and the Dept. of LWD, Construction EEO Monitoring Program an initial project workforce report (Form AA-201) electronically provided to the public agency by the Dept. of LWD, Construction EEO Monitoring Program, through its website, for distribution to and completion by the contractor, in accordance with N.J.A.C. 17:27-7.

The contractor also agrees to submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the Dept. of LWD, Construction EEO Monitoring Program and to the public agency compliance officer.

The contractor agrees to cooperate with the public agency in the payment of budgeted funds, as is necessary, for on the job and/or off the job programs for outreach and training of minorities and women.

- (D) The contractor and its subcontractors shall furnish such reports or other documents to the Dept. of LWD, Construction EEO Monitoring Program as may be requested by the Dept. of LWD, Construction EEO Monitoring Program from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Dept. of LWD, Construction EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.

EXECUTIVE ORDER NO. 151 REQUIREMENTS

It is the policy of the Division of Purchase and Property that its contracts should create a workforce that reflects the diversity of the State of New Jersey. Therefore, contractors engaged by the Division of Purchase and Property to perform under a construction contract shall put forth a good faith effort to engage in recruitment and employment practices that further the goal of fostering equal opportunities to minorities and women.

The contractor must demonstrate to the Division of Purchase and Property's satisfaction that a good faith effort was made to ensure that minorities and women have been afforded equal opportunity to gain employment under the Division of Purchase and Property's contract with the contractor. Payment may be withheld from a contractor's contract for failure to comply with these provisions.

Evidence of a "good faith effort" includes, but is not limited to:

1. The Contractor shall recruit prospective employees through the State Job bank website, managed by the Department of Labor and Workforce Development, available online at <http://NJ.gov/http://NJ.gov/JobCentralNJ>;
2. The Contractor shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;
3. The Contractor shall actively solicit and shall provide the Division of Purchase and Property with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media; and
4. The Contractor shall provide evidence of efforts described at 2 above to the Division of Purchase and Property no less frequently than once every 12 months.
5. The Contractor shall comply with the requirements set forth at N.J.A.C. 17:27.

This language is in addition to and does not replace good faith efforts requirements for construction contracts required by N.J.A.C. 17:27-3.6, 3.7 and 3.8, also known as Exhibit B.

State of New Jersey Standard Terms and Conditions

(Rev: 10/21/19)

**I HEREBY ACCEPT THE TERMS AND CONDITIONS OF
THIS CONTRACT**



Signature

12 / 09 / 2020

Date

Alexander Pastuszak, M.D., Ph.D., President

Print Name and Title

Vault Medical Services of New Jersey, P.C.

Print Name of Contractor

**WAIVERED CONTRACTS SUPPLEMENT TO THE
STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**
(Rev. 6/14/2018)

- A. WAIVERED CONTRACTS SUPPLEMENT TO THE STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS** - This Supplement to the State of New Jersey Standard Terms and Conditions ("Supplement") shall apply to all contracts or purchase agreements made with the State of New Jersey ("State") under N.J.S.A. 52:34-9 or -10 ("Waivered Contracts"). The terms in this Supplement modify the terms of the New Jersey Division of Purchase and Property's Standard Terms and Conditions as may be updated from time to time ("Standard Terms and Conditions"). The combined terms of the Standard Terms and Conditions and this Supplement, in addition to the terms and conditions set forth in the Request for Proposal, Request for Quotation, and/or other agency request ("Solicitation"), if applicable, shall prevail over any conflicts set forth in or incorporated by reference into a contractor's proposal submitted in response to a Solicitation including any standard license, service or other agreement ("Contractor Standard Form Agreement").

The "Contract" shall consist of this Supplement, the Standard Terms and Conditions, the Solicitation, and the proposal submitted by the contractor.

The Standard Terms and Conditions are hereby incorporated by reference. Section numbering of the changes and additions enumerated below continue the number scheme of the Standard Terms and Conditions.

- B. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL GOODS, SERVICES, AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:**

2.13 OWNERSHIP DISCLOSURE

Pursuant to N.J.S.A. 52:25-24.2, in the event the contractor is a corporation, partnership or limited liability company, the contractor must complete an Ownership Disclosure Form.

A current completed Ownership Disclosure Form must be received prior to or accompany the submitted proposal. A contractor's failure to submit the completed and signed form with its proposal will result in the rejection of the proposal as non-responsive and preclude the award of a Contract to said contractor unless the Division has on file a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the receipt of the proposal. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the proposal.

In the alternative, to comply with this section, a contractor with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

2.14 PROHIBITED INVESTMENT IN IRAN

Pursuant to N.J.S.A. 52:32-58, the contractor must utilize this Disclosure of Investment Activities in Iran form to certify that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the contractor, nor one (1) of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the contractor is unable to so certify, the contractor shall provide a detailed and precise description of such activities as directed on the form.

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2.15 STATE'S RIGHT TO INSPECT CONTRACTOR'S FACILITIES

The State reserves the right to inspect the contractor's establishment before making an award, for the purposes of ascertaining whether the contractor has the necessary facilities for performing the Contract.

The State may also consult with clients of the contractor to assist the State in making a contract award that is most advantageous to the State.

2.16 STATE'S RIGHT TO REQUEST FURTHER INFORMATION

The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the contractor's financial capabilities to perform the Contract. Further, the Director reserves the right to request a contractor to explain, in detail, how the proposal price was determined.

2.17 DELIVERY TIME AND COSTS

Unless otherwise noted elsewhere in the Solicitation, all delivery times are 30 calendar days after receipt of order (ARO) and prices for items in proposals shall be submitted Freight On Board (F.O.B.) Destination (30 calendar days ARO/F.O.B.). The contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's Using Agency or designated purchaser. Thirty calendar days ARO/F.O.B. does not cover "spotting" but does include delivery on the receiving platform of the Using Agency at any destination in the State of New Jersey unless otherwise specified.

No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at the contractor's convenience when a single shipment is ordered.

The weights and measures of the State's Using Agency receiving the shipment shall govern.

2.18 COLLECT ON DELIVERY (C.O.D) TERMS

C.O.D. terms will not be accepted.

2.19 CASH DISCOUNTS

The contractor is encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts.

Should the contractor choose to offer cash discounts the following shall apply:

- A. Discount periods shall be calculated starting from the next business day after the Using Agency has accepted the goods or services, received a properly signed and executed invoice and, when required, a properly executed performance security, whichever is latest; and
- B. The date on the check issued by the State in payment of that invoice shall be deemed the date of the State's response to that invoice.

2.20 CLAIMS AND REMEDIES

- A. All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

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- B. Nothing in this Contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.
- C. In the event that the contractor fails to comply with any material Contract requirements, the Director may take steps to terminate this Contract in accordance with the Standard Terms and Conditions, authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor, as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

2.21 NEWS RELEASES & ADVERTISING

- A. The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this Contract without the prior written consent of the Director.
- B. The contractor shall not use the State's name, logos, images, or any data or results arising from this Contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

2.22 ORGAN DONATION

As required by N.J.S.A. 52:32-33.1, the State encourages the contractor to disseminate information relative to organ donation and to notify its employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees should be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. 1320b-8 to serve in this State.

3.8 PERFORMANCE SECURITY

If performance security is required, such security must be submitted with the bid in the amount listed in the Solicitation. N.J.A.C. 17:12-2.5. Acceptable forms of performance security are as follows:

- 1. A properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey,
- 2. A certified or cashier's check drawn to the order of "Treasurer, State of New Jersey," or
- 3. An irrevocable letter of credit issued by a federally insured financial institution and naming "Treasurer, State of New Jersey," as beneficiary.

The Performance Security must be submitted to the State within 30 days of the effective date of the Contract award and cover the period of the Contract and any extensions thereof. Failure to submit performance security may result in cancellation of the Contract for cause and nonpayment for work performed.

Although the performance bond is required for the full term of the Contract, the Director recognizes that the industry practice of sureties is to issue a one (1) year performance bond for goods and services contracts. Thus, the contractor is permitted to submit a one (1) year performance bond for the amount required under the Contract and, on each succeeding anniversary date of the Contract, provide a continuation or renewal certificate to evidence that the bond is in effect for the next year of the Contract. This procedure will remain in place for each year of the Contract thereafter until the termination of the Contract. Failure to provide such proof on the anniversary date of the Contract shall result in suspension of the Contract, and possibly, termination of the Contract.

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For performance bonds based on a percentage of the total estimated Contract price. On each anniversary of the effective date of the Contract, the amount of the required performance bond, unless otherwise noted, is calculated by applying the established RFQ performance bond percentage to the outstanding balance of the estimated amount of the Contract price to be paid to the contractor.

In the event that the Contract price is increased by a Contract Amendment, the contractor may be required to provide, within 30 calendar days of the effective date of the Contract Amendment, performance bond coverage for the increase in Contract price. The required increase in the performance bond amount is calculated by applying the established bond percentage set forth above to the increase in Contract price. Failure to provide such proof to the Director of this required coverage may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

3.9 RETAINAGE

If retainage is required on the Contract as stated in the Solicitation, the state and/or agency will retain the stated percentage or retainage from each invoice. Payment of retainage will be authorized after satisfactory completion and submission of all services, deliverables or work products by the contractor and acceptance by the agency of all services, deliverables or work products required by the Contract.

For ongoing contracts, the agency will retain the stated percentage of each invoice submitted. At the end of the three (3) month period after payment of each invoice, the agency will review the contractor's performance and if performance has been satisfactory, the agency will release the retainage for the preceding three (3) month period. Following the expiration of the Contract, retained fees will be released to the contractor after certification by the agency's project manager, if any, that all services have been satisfactorily performed.

3.10 SUBCONTRACTOR UTILIZATION PLAN

A contractor that will subcontract any of the work or services to be provided under the Contract shall submit to the agency along with its proposal a Subcontractor Utilization Plan located at the following webpage: <http://www.state.nj.us/treasury/purchase/forms/subcontracting.pdf>. See also Section 5.8 of the Standard Terms and Conditions.

5.17 CONFIDENTIALITY

- a. The State's obligation to maintain the confidentiality of the contractor's confidential information provided to the State under the Contract is conditioned upon and subject to the State's obligations under the New Jersey Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA"), the New Jersey common law right to know, and any other lawful document request or subpoena.
- b. By virtue of the Contract, the parties may have access to information that is confidential to one another. The parties agree to disclose only information that is required for the performance of their obligations under the Contract. The contractor's confidential information, to the extent not expressly prohibited by law, shall consist of all information clearly identified as confidential at the time of disclosure ("Contractor Confidential Information"). Notwithstanding the previous sentence, the contractor acknowledges the terms and pricing of the Contract are subject to disclosure under OPRA, the New Jersey common law right to know, and any other lawful document request or subpoena.
- c. The State's Confidential Information shall consist of all information or data in any form whatsoever supplied by the State, any information or data gathered by the contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not).
- d. A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party, except that if the information is personally identifying to a person or entity regardless of whether it has become part of the public

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domain through other means, the other party must maintain full efforts under the Contract to keep it confidential; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

- e. The parties agree to hold each other's Confidential Information in confidence, using at least the same degree of care in doing so that it uses to protect its own confidential information.
- f. In the event that the State receives a request for Contractor Confidential Information related to the Contract pursuant to a court order, subpoena, lawful document request or other operation of law, the State agrees, if permitted by law, to provide the contractor with as much notice, in writing, as is reasonably practicable and the State's intended response to such request. The contractor shall take any action it deems appropriate to protect its documents and/or information.
- g. In addition, in the event the contractor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, the contractor shall, if permitted by law, provide the State with as much notice, in writing, as is reasonably practicable and the contractor's intended response to such request. The State shall take any action it deems appropriate to protect its documents and/or information. Notice to the State shall not relieve the contractor of its obligation to take action to protect such information if the contractor is aware of a legal reason to do so.
- h. Notwithstanding the requirements of nondisclosure described in this Section 5.17, either party may release the other party's Confidential Information (i) if directed to do so by a court or arbitrator of competent jurisdiction, (ii) pursuant to a lawfully issued subpoena or other lawful document request, (iii) in the case of the State, if the State determines the documents or information are subject to disclosure and the contractor does not exercise its rights as described in subsection (f), or if the contractor is unsuccessful in defending its rights as described in subsection (f), or (iv) in the case of the contractor, if the contractor determines the documents or information are subject to disclosure and the State does not exercise its rights as described in subsection (g), or if the State is unsuccessful in defending its rights as described in subsection (g).

C. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS APPLICABLE TO SERVICES AND INFORMATION TECHNOLOGY WAIVERED CONTRACTS:

4.2 INSURANCE

The following paragraph D is added to section 4.2 of the Standard Terms and Conditions:

- D. Professional Liability Insurance: When it is common to the contractor's profession to do so, the contractor shall carry Errors and Omissions, Professional Liability Insurance and/or Professional Liability Malpractice Insurance sufficient to protect the contractor from any liability arising out the professional obligations performed pursuant to the requirements of the Contract. The insurance shall be in the aggregate amount of not less than \$5,000,0003,900,000 and in such policy forms as shall be approved by the State. If the contractor has claims-made coverage and subsequently changes carriers during the term of the Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.

5.18 OWNERSHIP

Capitalized terms used but not defined are defined in Subsection D of this Supplement, below.

- a. Contractor Intellectual Property; COTS and Customized Software – The contractor retains ownership of all Contractor Intellectual Property, and any modifications thereto and derivatives thereof, that the contractor supplies to the State pursuant to the Contract. The contractor grants the State a non-exclusive, perpetual royalty-free license to use Contractor Intellectual Property delivered to the State for the purposes contemplated by the Contract.

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- b. Third Party Intellectual Property – Unless otherwise specified in the Solicitation that the State, on its own, will acquire and obtain a license to Third Party Intellectual Property, the contractor shall secure on the State's behalf, in the name of the State and subject to the State's approval, a license to Third Party Intellectual Property sufficient to fulfill the business objectives, requirements and specifications identified in the Contract at no additional cost to the State beyond that in the bid price. Under no circumstances will the State accept a license for Third Party Intellectual Property that contains terms and conditions that conflict with the terms and conditions of the Contract. If the contractor uses Third Party Intellectual Property, the contractor must indemnify the State for infringement claims with respect to the Third Party Intellectual Property. The contractor agrees that its use of Third Party Intellectual Property shall be consistent with the license for the Third Party Intellectual Property, whether supplied by the contractor, secured by the State as required by the Solicitation, or otherwise supplied by the State.
- c. Work Product; Custom Software – The State owns all Custom Software which shall be considered "work made for hire", i.e., the State, not the contractor, subcontractor, or third party, shall have full and complete ownership of all such Custom Software. To the extent that any Custom Software may not, by operation of the law, be a "work made for hire" in accordance with the terms of the Contract, contractor, subcontractor, or third party hereby assigns to the State, or the contractor shall cause to be assigned to the State, all right, title and interest in and to any such Custom Software and any copyright thereof, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available.
- d. Work Product; Services – The State owns all Deliverables developed for the State in the course of providing Services under the Contract, including but not limited to, all data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the Contract, including but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the Services required under the Contract.
- e. State Intellectual Property – Data and Background Information. The State owns all State Intellectual Property and State data and background information provided to the contractor pursuant to the Contract. The State's data and background information shall include, without limitation, all data, technical information, and materials provided to the contractor by the State to facilitate performance of the Contract, including but not limited to all reports, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents. The items described in the preceding sentence shall be delivered or returned to the State of New Jersey upon thirty (30) days' notice by the State or thirty (30) days after the expiration or termination of the Contract. Only to fulfill the purposes of the Contract does the State grant the contractor a non-exclusive, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of State Intellectual Property and State data and background information. Notwithstanding anything to the contrary contained in the Terms and Conditions or this Supplement, no part of the State's data will be disclosed, sold, assigned, leased or otherwise disposed of to any person or entity other than the State unless specifically directed to do so in writing by the Contract Manager. The State's license to the contractor is limited by the term of the Contract and the confidentiality obligations set forth in Section 5.17 of this Supplement.
- f. No Rights – Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the contractor any right, title, or interest in State Intellectual Property or any intellectual property that is now owned or licensed to or subsequently owned by or licensed by the State. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Contractor Intellectual Property that is now owned or subsequently owned by the contractor. Except as expressly set forth in the Contract, nothing in the Contract shall be construed as granting to or conferring upon the State any right, title, or interest in any Third Party Intellectual Property that is now owned or subsequently owned by a Third Party.

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**D. CHANGES/ADDITIONS TO THE STANDARD TERMS AND CONDITIONS FOR ALL INFORMATION
TECHNOLOGY WAIVERED CONTRACTS:**

1.2 DEFINITIONS

The following definitions shall apply to information technology contracts:

- i. The term "Acceptance" means the written confirmation by an Agency that the contractor has completed a Deliverable according to the specified requirements.
- ii. The term "Contractor Intellectual Property" means any intellectual property that is owned by the contractor and contained in or necessary for the use of the Deliverables or which the contractor makes available for the State to use as part of the work under the Contract. Contractor Intellectual Property includes COTS or Customized Software owned by the contractor, the contractor's technical documentation, and derivative works and compilations of any Contractor Intellectual Property.
- iii. The term Commercial Off the Shelf Software ("COTS") means Software provided by the contractor that is intended for general use.
- iv. The term "Custom Software" means Software and Work Product that is developed by the contractor at the request of the Agency to meet the specific requirements of the Agency and is intended for its use.
- v. The term "Customized Software" means COTS that is adapted by the contractor to meet specific requirements of the Agency that differ from the standard requirements of the base product.
- vi. The term "Deliverable" means the goods, products, Services and Work Product that the contractor is required to deliver to the State under the Contract;
- vii. The terms "goods" and "products" shall be deemed to include, without limitation, Software and Hardware.
- viii. The term "Hardware" shall be deemed to include computer equipment and any Software provided with the Hardware that is necessary for the Hardware to operate.
- ix. The term "Information Technology Contract" shall mean, notwithstanding any definition in New Jersey Statutes, a Contract for one or more of the following: Hardware, Software, Services, telecommunication goods and services, and all related goods.
- x. The terms "Services" shall be deemed to include, without limitation (i) Information Technology ("IT") professional services; (ii) Software and Hardware-related services, including without limitation, installation, configuration, and training and (iii) Software and Hardware maintenance and support and/or Software and Hardware technical support services.
- xi. The term "Software" means, without limitation, computer programs, source codes, routines, or subroutines supplied by the contractor, including operating software, programming aids, application programs, application programming interfaces and software products, and includes COTS, Customized Software and Custom Software, unless the context indicates otherwise.
- xii. The term "State Intellectual Property" means any intellectual property that is owned by the State. State Intellectual Property includes any derivative works and compilations of any State Intellectual Property.
- xiii. The term "Third Party Intellectual Property" means any intellectual property owned by parties other than the State or the contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.
- xiv. The term "Work Product" means every invention, modification, discovery, design, development, customization, configuration, improvement, process, Software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by the contractor or the contractor's subcontractors or a third party engaged by the contractor or its subcontractor pursuant to the Contract. Notwithstanding anything to the contrary in the preceding sentence, Work Product does not include State Intellectual Property, Contractor Intellectual Property or Third Party Intellectual Property.

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2.10 COMPLIANCE - LAWS

The following is added to section 2.10 of the Standard Terms and Conditions:

COMPLIANCE – DATA AND PRIVACY LAWS – The contractor must comply with all State and Federal data and privacy laws, rules and regulations applicable to both the contractor and the State under the Contract.

4.1 INDEMNIFICATION

Section 4.1 of the Standard Terms and Conditions is deleted in its entirety and replaced with the following:

INDEMNIFICATION AND LIMITATION OF LIABILITY:

1. INDEMNIFICATION - The contractor's liability to the State and its employees in third party suits shall be as follows:
 - a) The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State and its officers, agents, servants and employees, from and against any and all third party claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith:
 - i. For or on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or products supplied under the Contract or the order; and
 - ii. For or on account of the use of any patent, copyright, trademark, trade secret or other proprietary right of any copyrighted or uncopied composition, secret process, patented or unpatented invention, article or appliance ("Intellectual Property Rights") furnished or used in the performance of the Contract; and
 - iii. The contractor's indemnification and liability under subsection (a) is not limited by, but is in addition to the insurance obligations contained in these Standard Terms and Conditions.
 - b) In the event of a claim or suit involving third-party Intellectual Property Rights, the contractor, at its option, may: (1) procure for the State the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties. The State will (1) promptly notify the contractor in writing of the claim or suit; (2) the contractor shall have control of the defense and settlement of any claim that is subject to subsection (a); provided, however, that the State must approve any settlement of the alleged claim, which approval shall not be unreasonably withheld. The State may observe the proceedings relating to the alleged claim and confer with the contractor at its expense. Furthermore, neither the contractor nor any attorney engaged by the contractor shall defend the claim in the name of the State of New Jersey or any Agency, nor purport to act as legal representative of the State of New Jersey or any Agency, without having provided notice to the Director of the Division of Law in the Department of Law and Public Safety and to the Director of DPP. The State of New Jersey may, at its election and expense, assume its own defense and settlement.
 - c) Notwithstanding the foregoing, the contractor has no obligation or liability for any claim or suit concerning third-party Intellectual Property Rights arising from: (1) the State's unauthorized combination, operation, or use of a product supplied under the Contract with any product, device, or Software not supplied by the contractor; (2) the State's unauthorized alteration or modification of any product supplied under the Contract; (3) the contractor's compliance with the State's designs, specifications, requests, or instructions, provided that if the State provides the contractor with such designs, specifications, requests, or instructions, the contractor reviews same and advises that such designs, specifications, requests or instructions present potential issues of patent or copyright infringement and the State nonetheless directs the contractor to proceed with one or more designs, specifications, requests or instructions that

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present potential issues of patent or copyright infringement; or (4) the State's failure to promptly implement a required update or modification to the product provided by the contractor.

- d) The contractor will be relieved of its responsibilities under subsection (a)(i) and (ii) for any claims made by an unaffiliated third party that arise solely from the actions or omissions of the State, its officers, employees or agents.
- e) This section states the entire obligation of the contractor and its suppliers, and the exclusive remedy of the State, in respect of any infringement or alleged infringement of any Intellectual Property Rights. This indemnity obligation and remedy are given to the State solely for its benefit and in lieu of, and the contractor disclaims, all warranties, conditions and other terms of non-infringement or title with respect to any product.
- f) The provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in the Contract, nor shall they be construed to relieve the contractor from any liability, nor preclude the State from taking any other actions available to it under any other provisions of the Contract or otherwise at law or equity.
- g) The contractor agrees that any approval by the State or Using Agency of the work performed and/or reports, plans or specifications provided by the contractor shall not operate to limit the obligations of the contractor assumed in the Contract.
- h) The State of New Jersey will not indemnify, defend or hold harmless the contractor. The State will not pay or reimburse for claims absent compliance with Section 4.1(2) of this Supplement and a determination by the State to pay the claim or a final order of a court of competent jurisdiction.

2. STATE RESPONSIBILITIES

Subject to the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.), the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.) and the appropriation and availability of funds, the State will be responsible for any cost or damage arising out of actions or inactions of the State, its employees or agents under Section 4.1(1)(a)(i) and (ii) of this Supplement which results in an unaffiliated third party claim. This is the contractor's exclusive remedy for these claims.

3. LIMITATION OF LIABILITY

- a) The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance of, or in any manner related to, the Contract for any and all claims, shall be limited in the aggregate to 200% of the fees paid to the contractor for the products or Services giving rise to such damages, except that such limitation of liability shall not apply to the following:
 - i. The contractor's indemnification obligations as described in Section 4.1(1) of this Supplement; and
 - ii. The contractor's breach of its obligations of confidentiality described in Section 5.17 of this Supplement; and
- b) The contractor shall not be liable for consequential or incidental damages.

5.11 CONTRACTOR PERFORMANCE WARRANTIES

Section 5.11 of the Standard Terms and Conditions is deleted in its entirety and replaced with the following:

1. COTS and Customized Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage as determined by the State, in its sole discretion, the contractor warrants that COTS and Customized Software products licensed to the State shall operate in all material respects as described in the Solicitation and/or contractor technical documentation for ninety (90) days after Acceptance. The State shall

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notify the contractor of any COTS or Customized Software product deficiency within ninety (90) days after Acceptance. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.

- b. Except for the portion of the contractor's COTS or Customized Software product that intentionally contains one or more of the following for the purpose of anti-virus protection, the contractor warrants that, at the time of delivery and installation of the COTS or Customized Software provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the COTS or Customized Software, collect unlawful personally identifiable information on users, or prevent the COTS or Customized Software from performing as required under the Contract.
- c. In the event of any breach of this warranty, the contractor shall correct the product errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may end its usage and recover the fees paid to the contractor for the license and any unused, prepaid, technical support fees paid. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. The contractor does not warrant that COTS or Customized Software is error-free or that it will operate uninterrupted.

2. Custom Software

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that Custom Software Deliverables shall operate in all material respects as described in the applicable specification documentation for one hundred and eighty (180) days after Acceptance. The State shall notify the contractor of any Custom Software deficiency within one hundred and eighty (180) days after Acceptance of the Custom Software Deliverable (the "Notice Period"). Where the contractor is providing multiple Custom Software Deliverables over the term of the Contract, the Notice Period shall begin to run after the Acceptance of the final Custom Software Deliverable under the Contract. At that time, the State may assert defect claims relating to any and all of the Custom Software Deliverables provided under the Contract; however, the State may also assert claims earlier, in its discretion, without waiving the Notice Period.
- b. For a Contract requiring the delivery of COTS or Customized Software and Custom Software, a notice within one hundred eighty (180) days that describes a deficiency in functional terms without specifying whether the deficiency is with COTS, Customized Software or Custom Software shall be deemed a notice that triggers the warranty provisions in both Section 5.11(a) and 5.11(b) of this Supplement.
- c. The contractor warrants that, at the time of Acceptance of the Custom Software Deliverable provided pursuant to the Contract, its product shall be free of what are commonly defined as viruses, backdoors, worms, spyware, malware and other malicious code that will hamper performance of the Custom Software, collect unlawful personally identifiable information on users, or prevent the Custom Software from performing as required under the Contract. Under no circumstances does this warranty provision limit the contractor's obligation in the event of a breach of confidentiality.
- d. In the event of any breach of this warranty, the contractor shall correct the Custom Software errors that caused the breach of warranty, or if the contractor cannot substantially correct such breach in a commercially reasonable manner, the State may recover a portion of the fees paid to the contractor for the Custom Software with the uncorrected defect or in the event that the Custom Software is still deemed, by the State in its sole discretion, to be usable by the State even with the uncorrected defect, the State may recover a portion of the fees paid to the

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contractor for the Custom Software (up to the total amount of such charges for such Custom Software) to reflect any reduction in the value of the Custom Software Deliverable as a result of the uncorrected defect. Under no circumstances does this warranty provision limit the contractor's obligations in the event of a breach of confidentiality.

- e. The contractor does not warrant that Custom Software is error-free or that it will operate uninterrupted.

3. IT Services

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that all Services will be provided in a professional manner consistent with industry standards. The State shall notify the contractor of any Services warranty deficiencies within ninety (90) days from performance of the deficient Services.
- b. In the event of any breach of this warranty, the contractor shall re-perform the deficient Services, or if the contractor cannot substantially correct a breach in a commercially reasonable manner, the State may end the relevant Services and recover the fees paid to the contractor for the deficient Services.

4. Hardware

- a. Unless the Contractor Standard Form Agreement provides greater coverage, as determined by the State, in its sole discretion, the contractor warrants that the equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.
 - b. The contractor warrants that all equipment supplied to the State and operated by electrical current is UL listed where applicable.
 - c. The contractor warrants that all new machines are to be guaranteed as fully operational for one (1) year from time of Acceptance by the State. For the avoidance of doubt, Acceptance with respect to Hardware in this subsection (d) shall occur no later than sixty (60) days after delivery, as evidenced by a signed delivery receipt. The contractor shall render prompt service without charge, regardless of geographic location.
 - d. The contractor warrants that sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters.
 - e. The contractor warrants that trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.
 - f. The contractor warrants that all Software included with the Hardware shall perform substantially in accordance with specifications, for one (1) year from the time of Acceptance. The contractor warrants that Software media will be free from material defects in materials and workmanship for a period of one (1) year from the date of Acceptance.
 - g. In the event of any breach of this warranty, the contractor shall promptly repair, replace or refund the purchase price of product rejected for failure to conform with the contractor's product specifications.
- 5. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, AND THE CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.**

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5.19 AUDIT NOTICE AND DISPUTE RESOLUTION

To the extent the contractor's proposal or Standard Form Agreement permits the contractor to conduct periodic audits of the State's usage of the Contractor Intellectual Property provided thereunder, such provision is amended to include the following audit notice and dispute resolution process:

- a. **AUDIT NOTICE** – Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, in the event that the contractor seeks to exercise a right in its proposal or Standard Form Agreement to audit the State's use of Contractor Intellectual Property, the contractor shall deliver simultaneous written notice, no less than thirty days in advance of the audit start date (unless the contractor's notice provides a longer notice period), to the:
 - i. Director of the New Jersey Department of Treasury, Division of Purchase and Property:
Procurement Bureau, Technology Unit
P.O. Box 230
Trenton, NJ 08625-0230
 - ii. Chief of Staff of the New Jersey Office of Information Technology:
Office of the Chief Technology Officer
300 Riverview Plaza
Trenton, NJ 08625
 - iii. State Contract Manager.

The notice shall reference the specific audit provision(s) in the contractor's proposal or Standard Form Agreement being exercised and include copies of same, specify the means by which the contractor will conduct the audit, and shall require the audit to be conducted in accordance with generally accepted standards in the field of such audits.

- b. **AUDIT DISPUTE RESOLUTION** -- If the State, in good faith, provides the contractor with written notice of an alleged error in the amount of underpaid fees due the contractor as a result of an audit (the "dispute"), then the parties will endeavor to resolve the dispute in accordance with this paragraph. Each party will appoint a Vice President, Assistant Director, or the equivalent (hereinafter referred to as "Representative") to discuss the dispute and no formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief or those required to avoid non-compliance with the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., may begin until either such Representative concludes, after a good faith effort to resolve the dispute, that resolution through continued discussion is unlikely. In addition, the parties shall refrain from exercising any termination right related to the dispute being considered under this paragraph and shall continue to perform their respective obligations under the Contract while they endeavor to resolve the dispute under this paragraph.
- c. **STATE NOT LIABLE FOR AUDIT COSTS** -- Notwithstanding anything to the contrary in the contractor's proposal or Standard Form Agreement, the State will not reimburse the contractor for any costs related to an audit.
- d. **NO AUDIT RIGHT CREATED** -- In the event that the contractor's proposal or Standard Form Agreement does not permit audits of the State's usage of Contractor Intellectual Property, Section 5.19 of this Supplement shall not be interpreted to provide such an audit right.

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**I HEREBY ACCEPT THE TERMS AND CONDITIONS
OF THIS CONTRACT**



Signature

12 / 09 / 2020

Date

Alexander Pastuszak, M.D., Ph.D., President

Print Name and Title

Vault Medical Services of New Jersey, P.C.

Print Name of Contractor

**FEDERALLY FUNDED CONTRACT RIDER
ADDITIONAL FEDERALLY FUNDED AGREEMENT PROVISIONS**

A TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Federally Funded Contract Rider apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317, and are in addition to those in any applicable Agreement.

A.1 PROCUREMENT OF RECOVERED MATERIALS

To the extent that any other requirement in the contract requires the contractor to provide any of the following items, this Section A.1 of the Federally Funded Contract Rider modifies the terms of the other contract requirements.

Pursuant to 2 CFR 200.322, the contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

A. Designated items are those set forth in 40 CFR 247 subpart B, as may be amended from time to time, including:

1. Paper and paper products listed in 40 CFR 247.10;
2. Certain vehicular products as listed in 40 CFR 247.11;
3. Certain construction products listed in 40 CFR 247.12;
4. Certain transportation products listed in 40 CFR 247.13;
5. Certain park and recreation products, 40 CFR 247.14;
6. Certain landscaping products listed in 40 CFR 247.15;
7. Certain non-paper office products listed in 40 CFR 247.16; and
8. Other miscellaneous products listed in 40 CFR 247.17.

B. As defined in 40 CFR 247.3, “recovered material” means:

1. waste materials and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process; and
2. for purposes of purchasing paper and paper products, means waste material and byproducts that have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing

process. In the case of paper and paper products, the term recovered materials includes:

- a. Postconsumer materials such as --
 - i. Paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after they have passed through their end-usage as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; and
 - ii. All paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste, and
 - b. Manufacturing, forest residues, and other wastes such as --
 - i. Dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel in smaller rolls of rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste, resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and
 - ii. Finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others;
 - iii. Fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes, flax, straw, linters, bagasse, slash, and other forest residues;
 - iv. Wastes generated by the conversion of goods made from fibrous material (that is, waste rope from cordage manufacture, textile mill waste, and cuttings); and
 - v. Fibers recovered from waste water which otherwise would enter the waste stream.
- C. For contracts in an amount greater than \$100,000, at the beginning of each contract year, contractor shall provide the State estimates of the total percentage of recovered material utilized in the performance of its contract for each of the categories listed in subsection (A). For all contracts, at the conclusion of each contract year, contractor shall certify to the State the minimum recovered material content actually utilized in the prior contract year.

A.2 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246

Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and

accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and

subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

A.3 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The provisions of 29 C.F.R. 3.1 to 3.11 are incorporated into this contract as if set forth at length herein.

A.4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous.

These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

A.5 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

A.6 CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

A.7 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

A.8 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or bid for an award exceeding \$ 100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

A.9 RECORDS RETENTION AND AUDIT

Provider shall maintain all records related to the Agreement and any goods or services provided hereunder for five years after the State make the final payment on the final invoice pursuant to the Agreement. Provider shall make all records related to the Agreement available to the State or federal Government and to any person(s) authorized by the State or federal government to review or audit such records.

A.10. SEALS

Provider shall not use the State or federal seals, logos, crests or reproductions of flags without written approval of the State or federal government, as applicable.

A.11 ASSURANCES.

During the term of or the performance of the work required under this Agreement, Provider shall comply with all applicable State and federal laws with regard to this Agreement.

A.12 CERTIFICATION OF NO FELONY/FEDERAL TAX LIABILITY

As a condition of any contract award, a private corporation, partnership, trust, joint-stock company, sole proprietorship, or any other business association, including each participant in a joint venture, must certify, under penalty of perjury, that it has no unpaid federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

As a condition of any contract award, any such entity must also certify that it has not been convicted of any felony criminal violation under any federal law within the 24 months preceding the date of contract award.

BY PROVIDING THE GOODS OR SERVICES TO NJ TRANSIT, THE VENDOR SHALL BE DEEMED TO CERTIFY, UNDER PENALTY OF PERJURY, THAT IT HAS NO SUCH UNPAID FEDERAL TAX LIABILITY, NOR HAS IT BEEN CONVICTED OF ANY SUCH FELONY WITHIN THE APPLICABLE TIME PERIOD.

Furthermore, any entity awarded a contract by NJ TRANSIT is responsible for flowing down the requirements of the above two paragraphs to all lower tier subcontractors or subconsultants (including sub-subcontractors and sub-subconsultants, etc.), without regard to the value of any such subagreement (or sub-subagreement, etc.).

This Certification is applicable and continues through and until the date of any contract award. If any of the conditions stated herein change prior to the date of contract award, for the prospective awardee or for any subcontractor or subconsultant (or sub-subcontractor or sub-subconsultant, etc.), the prospective awardee shall immediately notify the NJ TRANSIT contracting officer.

A.13 BUY AMERICA

(1) Surface Transportation Assistance Act Requirements

Pursuant to 49 U.S.C. § 5323(j) and the regulations found at 49 C.F.R. Part 661 et seq., the Contractor agrees that all iron, steel and manufactured products purchased or used as a result of this Contract shall be of domestic manufacture or origin unless a waiver of these provisions is granted by the U.S. Secretary of Transportation.

There are four exceptions to this requirement:

- (a) That its application would be inconsistent with the public interest.
- (b) That such materials or products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.
- (c) With respect to rolling stock only, but including train control, communications, traction power equipment, and rolling stock prototypes, if the cost of components and subcomponents produced in the United States is more than 70 percent of the cost of all components of the rolling stock, provided that final assembly of such products takes place in the United States.
- (d) That inclusion of domestic material will increase the cost of the overall Contract by more than 25 percent.

With respect to rolling stock only, but including train control, communications, traction power equipment, and rolling stock prototypes, less than 30 percent may be non-domestic manufacture, but final assembly of such products must take place in the United States.

(2) Domestic Preferences for Procurements

- (a) In accordance with 2 C.F.R. 200.322, the Contractor is notified of NJ TRANSIT's preference, to the greatest extent practicable, for the purchase, acquisition, or use of goods, products, or materials, produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).
- (b) For purposes of this section:
 - (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
 - (2) "Manufactured products" means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

A.14 FEDERAL PROVISIONS RELATED TO CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

The Contractor shall abide by 2 C.F.R. 200.216, which prohibits recipients and subrecipients of federal funds from entering into contracts (or extending or renewing a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Covered telecommunications equipment means telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). Additional prohibitions include:

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

The Contractor agrees to extend this provision to its subcontractors.

COVID-19 TESTING SERVICES WAIVER AO-046 METHOD OF OPERATIONS

This COVID-19 Testing Services Waiver AO-046 Method of Operations (this “**Method of Operations**”), is effective as of the 16th day of December, 2020 (the “**Execution Date**”), by and between **Vault Medical Services of New Jersey, P.C.**, a New Jersey professional services corporation (“**Vault**”), and the **State of New Jersey** (“**State**”). Vault and State are sometimes referred to individually as a “**Party**” or collectively as the “**Parties**.”

RECITALS

WHEREAS, the Coronavirus Disease 2019 (hereafter “**COVID-19**”) is a contagious, and at times fatal, respiratory disease caused by the SARS-CoV-2 virus; and

WHEREAS, on March 9, 2020, New Jersey Governor Philip Murphy, in order to protect the health, safety, and welfare of the people of the State of New Jersey, signed Executive Order No. 103 on March 9, 2020, declaring a Public Health Emergency and State of Emergency exist in the State of New Jersey; and

WHEREAS, in an effort to mitigate the spread of COVID-19, the State is offering testing to residents for COVID-19; and

WHEREAS, Vault operates a medical practice in the State of New Jersey and makes available physician-ordered COVID-19 testing developed by Infinity BiologiX, LLC (“**IBX**” or “**Laboratory**”), with physician-managed results reporting provided directly to the Vault patient as well as applicable health authorities; and

WHEREAS, State desires to make COVID-19 testing available to its residents and Vault is willing to facilitate such testing to State in accordance with the authorized U.S. Food & Drug Administration Emergency Use Authorization (“**EUA**”) and the terms and conditions of Waiver AO-046 as provided below:

- a. “Non-Assisted Test Site – State-managed Testing Site” (the “Non-Assisted Test Site State-Managed” modality): State is responsible for the collection of tests and associated delivery of tests to the Laboratory for processing. Also includes Vault -managed results reporting provided directly to the Vault patient as well as applicable health authorities and the State.
- b. “Assisted Test Site – On-Site Bulk Testing” (the “Assisted Test Site Vault-Managed” modality): Vault is responsible for the collection of tests at designated locations and associated delivery of tests to the designated Laboratory for processing. Also includes Vault-managed results reporting provided directly to the Vault patient as well as applicable health authorities and the State.
- c. “At-Home” (the “At-Home” modality): Vault physician-ordered COVID-19 testing using the IBX saliva test. Service includes Vault real-time audio-visual supervision of collection of a saliva specimen at an Individual’s home. Includes Vault-managed results reporting provided directly to the Vault patient as well as applicable health authorities and the State.

In consideration of the terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to the terms demonstrated in the State of New Jersey Standard Terms and Conditions (“**SSTCs**”):

A. Construction and Definitions

Construction. Unless otherwise explicitly specified, this Method of Operations is to be interpreted such that (a) words denoting the singular will include the plural and vice versa; (b) the terms “include,” “including,” “comprise,” “comprises,” and words of similar effect are used in the inclusive sense of “including, without limitation; (c) “or” is used in the inclusive sense of “and/or” unless used in connection with the word “either,” “unless,” “alternatively,” and words of similar effect; (d) “any” is used in the sense of “any and/or all”; (e) “herein,” “hereof,” “hereunder,” and words of similar effect refer to the entirety of this Method of Operations; and (f) “days” refer to calendar days. The language of this Method of Operations will be construed according to its fair meaning and not strictly against either Party.

“Affiliate” means, with respect to a Party, any entity or person that controls, is controlled by, or is under common control with that Party. For the purpose of this definition, “control” means direct or indirect ownership of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interest in the case of any other type of legal entity, status as a general partner in any partnership, or any other arrangement providing control or the right to control the board of directors or equivalent governing body of a corporation or other entity, or the ability to cause the direction of the management or policies of a corporation or other entity.

“Covid-19 Test” means the IBX TaqPath SARS-CoV-2 assay intended for the qualitative detection of nucleic acid from SARS-CoV-2 in oropharyngeal (throat) swab, nasopharyngeal swab, anterior nasal swab, mid-turbinate nasal swab and saliva specimens from individuals suspected of COVID-19 by their healthcare provider. Testing is limited to Infinity Biologix Piscataway, NJ, that is a Clinical Laboratory Improvement Amendments of 1988 (CLIA), 42 U.S.C. §263a certified high-complexity laboratory.

“Individual” means an individual residing in the State.

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as codified at 42 USC § 1320d through d-8, as amended, including federal privacy regulations and security standards.

“Patient Data” means PHI collected by Vault healthcare professionals.

“Protected Health Information (PHI)” has the same meaning as in 45 C.F.R. § 160.103 and means individually identifiable health information held or transmitted by a covered entity (e.g., Vault) or its business associate, in any form or media, whether electronic, paper, or oral.

B. Testing Services

1. **Test Services.** Pursuant to Waiver AO-046 the State engaged Vault to make COVID-19 Tests available to Individuals for a period of twelve (12) months following the Execution Date of the Waiver and for any future extension pursuant to the SSTCs. Vault is not providing clinical services to or on behalf of State; rather, each Individual is a patient of Vault independent of State. In accordance with Waiver AO-046 and this Method of Operations, Vault has agreed to conduct the following activities as set forth in Section B(1)(a)(1-6) below as applicable (“**Test Services**”) during the Testing Period to facilitate the use of a Test Kit (as defined below) requisitioned and provided by State to an Individual so that such Individual may receive a COVID-19 Test which will be processed and analyzed. For the avoidance of doubt, the parties understand and agree that Vault is not a laboratory and utilizes third-party vendors to conduct laboratory processing and analyzing services as part of the Test Services.
 - a. Specimen Collection; Vault Protocols. The Parties understand and have agreed that specimen collection may occur At-Home, at Assisted Test Sites Vault-Managed or, upon agreement between State and Vault, at Non-Assisted Test Sites State-Managed (each a “**Test Site**”). At Non-Assisted Test Sites State-Managed, collection activities shall occur

under the supervision of State's medical or non-medical employees or contractors ("**State Test Supervising Personnel**") under a protocol provided by Vault and State shall be responsible for State Test Supervising Personnel properly supervising the saliva specimen collection in accordance with such protocol:

1. Individuals will visit Vault's website and begin the Testing workflow for COVID-19 testing;
 2. In accordance with the applicable EUA, a saliva specimen device ("**Test Kit**") will be shipped via UPS overnight to Individual's selected address for At-Home, or to such address as provided by State in the event Vault Providers (as defined below) or State Test Supervising Personnel conduct supervision of saliva specimen collection in-person;
 3. Upon receipt of the Test Kit, the Individual will read the information card packaged in the Test Kit and follow instructions to join a Zoom video waiting room if At-Home or, if Individual provides saliva specimen at a Test Site with either Vault Providers or State Test Supervising Personnel supervising specimen collection, Individual shall meet with such Vault Providers or State Test Supervising Personnel for such collection;
 4. If At Home, Individual will interact via Zoom with a Vault Provider who will greet the Individual, verify his or her identity, validate the serial number of the empty saliva collection device, supervise the saliva collection, supervise sealing the test tube with the preservative cap and re-packing into the pre-paid overnight clinic-pak to the Laboratory provided as part of the Test Kit. If Individual provides sample at Test Site with either Vault Providers or State Test Supervising Personnel supervising the saliva specimen collection, Individual shall conduct the same actions as described above with Vault Providers or State Test Supervising Personnel;
 5. Individual will place (or will coordinate with Vault Providers or State Test Supervising Personnel to place) the clinic-pak into overnight shipper's mail drop (Vault will provide links to nearby shipping locations), for mailing to IBX for specimen processing and analysis; and
 6. Individuals and State (as provided in Section C(4)) will be promptly notified by Vault upon Vault's receipt of the test results from IBX. Individuals shall have the option to receive results either by encrypted process, or if desired and affirmatively selected during testing workflow on Vault website, by unencrypted email. State shall receive results (as provided in Section C(4)) via encrypted communication process to be determined by the Parties. Individuals will be notified via electronic mail by Vault with one (1) of four (4) possible test results: positive, negative, inconclusive or rejected.¹
2. Public Health Reporting. Vault shall report test results as required to local and state health departments (including but not limited to State health department, if applicable) based on requirements specific to each locale (all positive and negative cases must be reported), and demographic data, on demand.
 3. Data Reports. On a weekly basis, or more often if mutually agreed to by the Parties, Vault shall provide reports to State of the number of Test Kits used by Individuals over a certain period of time, and the results of the tests performed, per Section B(1)(a)(6). Furthermore, upon request by State and on a schedule mutually agreed to by the Parties, Vault shall provide State with a reporting of the number of Test Kits used in specific municipalities within the State.

¹ An "Inconclusive" result is expected <2% of all test results, and delivered after processing the specimen twice with the expression of less than 2 out of 3 gene transcripts specific to SARS-CoV-2 confirmed. A "Rejected" result may occur due scenarios such as device breakage in transit or samples determined by laboratory as unviable.

4. Test Site Locations. Test Site locations, dates, and times of operation shall be mutually agreed to by the State and Vault.

C. Personnel.

1. Vault Personnel Qualifications. Vault represents and warrants that its individual medical professionals have and shall maintain at all pertinent times such current licenses, credentials, accreditations, registrations, enrollments, and certifications as may be required to perform the medical activities of Test Services and any non-medical Vault personnel, including but not limited to contractors engaged by Vault, shall be trained to perform the tasks to which they are assigned by Vault and follow specified protocols in connection with providing Test Services. Collectively Vault medical professionals and any non-medical personnel, including but not limited to contractors of Vault, shall collectively be referred to as “**Vault Providers**”.
2. State Test Supervising Personnel Qualifications. When the State uses State Test Supervising Personnel to supervise saliva sample collection, the State agrees such State Test Supervising Personnel shall maintain at all pertinent times such current licenses, credentials, accreditations, registrations, enrollments, and certifications as may be required to perform supervision of the saliva sample collection; and agrees that the State Test Supervising Personnel shall appropriately document such supervision with Vault’s provided technology platform and in accordance with Vault’s protocols.
3. Duties. Vault Providers will exercise independent professional judgment in the treatment and medical care of Individuals, and in this regard will direct decisions requiring medical judgment involving medical activities of Test Services which shall be rendered to Individuals as independent patients of Vault. For the avoidance of doubt, in the event that the State Test Supervising Personnel are utilized by State to supervise saliva sample collection, State Test Supervising Personnel shall supervise an Individual’s saliva specimen collection in accordance with Vault’s protocols, and additional clinical care and services other than supervision of an Individual’s saliva specimen collection rendered by State Test Supervising Personnel to an Individual, if any, shall be provided at the discretion of such State Test Supervising Personnel who shall be solely responsible for such clinical care and services and shall be outside the scope of this Method of Operations.
4. Privacy & Reporting. Vault and the State agree that Patient Data, including Individual clinical records related to the Covid-19 Tests and the results thereof shall be regarded as Protected Health Information and confidential. Vault shall provide test results directly to Individuals. Both Parties shall comply with all applicable federal and State laws and regulations regarding the use and disposition of such information, including without limitation, the provisions of HIPAA.

D. Compensation.

All terms of pricing and payment are subject to Section 6.0 *Terms Relating to Price & Payment* of the SSTCs.

1. Test Service Fees. As consideration for the Test Services to be performed hereunder, the State understands and agrees that the total maximum price to the State of the provided Test Service provided by under this Method of Operations is one hundred and eleven U.S. Dollars (\$111.00) per COVID-19 Test (the “**Waiver AO-046 Purchase Order**”), which shall be allocated as follows: sixty-one U.S. Dollars (\$61.00) (the “**Vault Reimbursement Threshold**”) to Vault and the remaining fifty U.S. Dollars (\$50.00) (the “**Vault Vendor Reimbursement Threshold**”) to Vault’s third-party vendor(s), i.e. laboratories (“**Vault Vendors**”). The Vault

Reimbursement Threshold and the Vault Vendor Reimbursement Threshold are allocated and set forth as stated above irrespective of the Test Site.

2. Insurance Claim Submission. The Parties understand and agree that Vault and its testing vendors shall submit claims to each Individual's applicable insurance payor (or HRSA, as applicable) for reimbursement separate and independent of each other for their respective services rendered in connection with the Test Services. Insurance claim submission will not occur for New Jersey State Employees who are participating in employer-mandated testing.
3. Purpose of Waiver AO-046 Purchase Order. The Parties understand and agree that Vault will invoice State against the Waiver AO-046 Purchase Order to cover any deficit (a) incurred by Vault, if reimbursement to Vault from an Individual's insurance payor is below the Vault Reimbursement Threshold; and/or (b) incurred by Vault's testing vendors, if reimbursement to vendor from an Individual's insurance payor is below the Vault Vendor Reimbursement Threshold.
4. Invoicing Independence: The Parties acknowledge and agree that the Vault Reimbursement Threshold and the Vault Vendor Reimbursement Threshold shall be considered separate amounts which shall be independently invoiced by Vault to State, but which shall not collectively exceed \$111.00 on a per test basis but for purposes of such invoicing any such deficit, shall be calculated on a monthly aggregated basis from date of claim adjudication by a payor. State agrees to not consider any reimbursement amount paid to Vault Vendors by an Individual's insurance payor when determining any deficit to the Vault Reimbursement Threshold, or, similarly, shall not consider any reimbursement paid to Vault by an Individual's insurance payor when determining any deficit to the Vault Vendor Reimbursement Threshold.
5. Unused COVID-19 Tests:
 - a. In the event an Individual receives a Test Kit and such Test Kit is not utilized prior to (i) the date of expiration or termination of the Waiver; or (ii) the expiration date printed on the collection tube in the Test Kit, then State, sixty (60) days thereafter, will be responsible for payment of thirty-seven U.S. Dollars and fifty-nine cents (\$37.59) for each unused Test Kit payable to Vault (with which Vault shall pay its vendors, as applicable). Prior to designating a Test Kit as not being utilized, Vault agrees to remind Individuals with one (1) email to utilize their Test Kit(s) two (2) months before the earlier of either (i) this Waiver's expiration or (ii) the expiration date printed on the specimen collection tube which is part of the Test Kit.
 - b. In the event State maintains Test Kits which are unused upon (i) termination or expiration of the Waiver or (ii) the expiration date printed on the collection tube in the Test Kit, State sixty (60) days thereafter, will be responsible for payment to Vault of thirty-seven U.S. Dollars and fifty-nine cents (\$37.59) for each unused Test Kit (with which Vault shall pay its vendors as applicable).
 - c. For test kits provided under the New Jersey State Employee program, kits and codes will be invoiced to the appropriate state department or agency upon issuance. Vault shall not accept any returns from the State, and the fees paid for the Covid-19 Tests and Test Services are non-refundable.
6. Invoicing. Invoicing shall be in compliance with Section 6.3 *Payment to Vendors*, of the SSTCs. Notwithstanding the foregoing sentence, the Parties agree to establish a mutually

agreed upon process and schedule for submitting invoices of insurance claims to the State for reimbursement in connection with Section D(3).

7. Vault Direct Billing to State: The Parties understand and agree that for Test Services that are Non-Assisted Test Site State-Managed and occur at a State-managed Testing Site which utilize State Test Supervising Personnel, and do not involve Vault Providers for Test Services, then Vault shall not be required to submit claims to health insurance payers for Test Services it provides to Individuals and may submit the Vault Reimbursement Threshold directly to State. Vault will directly bill the State for all tests provided as part of the New Jersey State Employee Testing Program upon delivery of codes or Test Kits at the \$111 price per Covid-19 Test.
 8. Conversion to Cash Pay Program: State understands and agrees that in the event that (i) the Public Health Emergency in the State of New Jersey expires or is otherwise terminated, (ii) any of Medicare, Medicaid, HRSA, or other government insurance programs or any private insurance payers operating within the State of New Jersey, become no longer obligated to reimburse Vault for COVID-19 Tests or Test Services, or (iii) Vault (or Vault testing vendors are otherwise no longer able to seek reimbursement from one or more payors for COVID-19 tests or Test Services, in each case, State shall pay Vault the Vault Reimbursement Threshold and the Vault Vendor Reimbursement Threshold set forth in the above Section D(1) for Test Services for each COVID-19 Test for which Vault or Vault testing Vendors are unable to receive reimbursement.
 9. Currency. All payments and expenses shall be calculated and paid in United States Dollars.
 10. Payment Terms.
All terms of pricing and payment are subject to Section 6.0 *Terms Relating to Price & Payment* of the SSTCs. Notwithstanding the forgoing sentence, the Parties agree to establish a mutually agreed upon process and schedule for submitting invoices of insurance claims to State for reimbursement as provided for in Section D(1).
- E. **Order of Precedence:** The specifications listed herein serve solely as a Method of Operation in conjunction with Waiver AO-046. In no way does this document override the terms and conditions outlined in the approved waiver. In the event of a discrepancy, Waiver AO-046 and its appendices take precedence.

F. Notices.

Any notices and other communications provided for in this Method of Operations to be made by either of the Parties to the other Party shall be in writing and shall be deemed given if delivered personally or sent by United States mail, registered or certified, postage paid, by overnight delivery service or express courier service or by facsimile, with confirmation of receipt, at the following addresses (or at such other address for a Party as shall be specified by like notice; provided however, that notices of a change of address shall be effective only upon receipt thereof):

Notice to Vault:

255 Alhambra Circle, Suite 700
Coral Gables, FL 33134
Attention: Legal Department

WITH COPY TO:
legalnotices@vaulthealth.com

Notice to State of New Jersey:

Attention:

Signature Page Follows

The Parties, having read the terms of this COVID-19 TESTING SERVICES WAIVER AO-046 METHOD OF OPERATIONS and intending to be legally bound by the terms of WAIVER AO-046, do hereby execute this COVID-19 TESTING SERVICES WAIVER AO-046 METHOD OF OPERATIONS.

**VAULT MEDICAL SERVICES
OF NEW JERSEY, P.C.**

**STATE OF NEW JERSEY
Department of Health**



By: Alexander Pastuszak, M.D., Ph.D.
President

DATED: 10 / 13 / 2021



By: Eric Anderson, MPA
CFO/Director of Management & Administration

DATED: 10/13/2021

As to form and legality:

By: _____

DATED:

Agreement Amendment #1
New Jersey State Waiver No. AO-046

Vault Medical Services of New Jersey P.C. confirms that the rate(s) established in New Jersey State Waiver No. AO-046 and shall be in effect through December 12, 2022 under the same terms and conditions mutually agreed upon in the New Jersey State Waiver No. AO-046.

Vault Medical Services of New Jersey P.C.

Signature:  _____

Date: 10 / 19 / 2021