

NON-TECHNOLOGY PURCHASE ORDER GENERAL TERMS AND CONDITIONS (Effective August 26, 2022)

1. PROCUREMENT POLICY

Procurement for the City of Detroit shall be carried out in a manner which provides a transparent, open, and fair opportunity for all eligible Suppliers to participate. Bids or proposals shall be made without collusion with any other person, firm or corporation making any bid or proposal, or who otherwise makes a bid or proposal.

Suppliers must have a valid contract or Purchase Order (collectively this "Purchase Order") with the signature of the Chief Procurement Officer to receive payment for goods or services rendered. Suppliers who perform work without a valid Purchase Order will not be paid.

2. RESPONSIBILITIES

During the period set forth on the first page of this City of Detroit will the products and/or services listed on the second page of this Purchase Order from the Supplier, and the Supplier is obligated to supply the quantities of such products and/or services which the City of Detroit requires for its operations, but this Purchase Order does not obligate the City to purchase any minimum amount of product or services from the Supplier.

3. COMPLIANCE WITH LAWS AND SECURITY REGULATIONS

The Supplier shall fully comply with and shall require its associates to comply with: (1) federal, state and local laws, ordinances, code(s), regulations and policies applicable to this contract, including, but not limited to, all security regulations in effect from time to time on the City's premises; (2) codes and regulations for materials, belonging to the City or developed in relationship to this project; and (3) with the terms and conditions of the grant, and the requirements of the grantor agencies when grant funds that are specifically related to this Purchase Order are expended.

4. INSURANCE

The Supplier shall maintain the insurance described in the bid or RFP related to this Purchase Order or as otherwise directed by the City in writing.

If during the term of this Purchase Order, changed conditions or other pertinent factors, should in the reasonable judgment of the City, render inadequate the insurance limits, the Supplier will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be affected at the Supplier's expense, under valid and enforceable policies issued by insurers licensed to conduct business in Michigan.

All policies shall name the Supplier as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days' prior notice to the City. The Commercial General Liability insurance policy shall name the "City of Detroit" as an additional insured. Certificates of insurance evidencing such coverage shall be submitted to the Office of Contracting and Procurement prior to the commencement of performance under this Purchase Order and at least fifteen (15) days prior to the expiration dates of expiring policies.

5. INVOICING

The Suppliers must register in the Supplier Portal for invoicing for payment. Invoice submission instructions for Supplier Portal usage can be found on the City of Detroit's website at <http://www.detroitmi.gov/Supplier>. Suppliers are required to be set up for Automatic Clearing House (wireless payment) in order to receive payment.

Supplier shall enter its banking information corresponding to the account to which Supplier elects to have the City send payments due pursuant to this Purchase Order (the "Designated

Account"). Supplier acknowledges and accepts that the City shall send payments due to Contractor to the Designated Account, and the City shall bear no liability for any error in the information provided by Supplier with respect to the Designated Account. The City has no obligation to independently investigate the information provided by Supplier with respect to the Designated Account.

Invoices must meet the following conditions for payment:

All invoices submitted against a contract must include part or item numbers and/or description. The quantity (for goods) and/or the amount (for services) must correlate to the price listed on the Purchase Order.

Invoicing for goods and/or services should only be entered in the Supplier Portal after goods have been shipped or services have been provided. Invoicing prior to shipment or provision of services is prohibited. Any invoice received prior to shipment or provision of the services will result in the delay of payment.

Timely submission of invoices will result in timely payments.

Questions should be directed to procurementinthecloud@detroitmi.gov.

6. PROTECTION OF WORK, PERSONS, AND PROPERTY

During performance and up to the date of final acceptance, the Supplier shall be under absolute obligation to protect the finished and unfinished work against any damage, loss or injury. The Supplier shall take all reasonable precautions to protect the persons and property of the City from damage, loss or injury during performance under this Purchase Order.

7. CLEARANCES

Supplier will be required to obtain approved clearances from the Income Tax Division, Revenue Collections Division and Human Rights Department prior to City Council approval of the contract. Clearance forms for these agencies can be found at <http://bit.ly/detroitclearances>. It is the Supplier's responsibility to obtain and maintain clearances. Approved clearances will be required of the successful Supplier prior to City Council approval.

8. NON-DISCRIMINATION CLAUSE

In accordance with all Federal and State Legislation and Regulations governing Fair Employment, including, but not limited to, Title VII of the Civil Rights Act of 1964 the Michigan Civil Rights Act and the Michigan Handicappers Civil Rights Act, the Supplier agrees that it will not discriminate against employees or applicants for employment with respect to hire, tenure, terms, conditions or privileges of employment because of religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the ability of the individual to perform the duties of a particular assignment or position. The Supplier recognizes the right of the United States and the State of Michigan to seek judicial enforcement of the foregoing covenants against the Supplier or its sub-suppliers, or both, in order to provide for efficient cooperation and coordination in the handling of Contract compliance programs as provided in the Elliott-Larsen Civil Rights Act, as amended, and the Michigan Handicappers Civil Rights Act, as amended. The Civil Rights, Inclusion and Opportunity Department, The Detroit Human Rights Commission, the Michigan Department of Civil Rights and the Michigan Civil Rights Commission by mutual agreement, have authorized the Civil Rights, Inclusion and Opportunity Department in a contract compliance program to monitor all Suppliers doing business with the City and to review the employment practices of Suppliers seeking to do business with the City prior to doing business with the Supplier so that the Supplier complies with Section 209 of the Michigan Civil Rights Act. The Supplier agrees to include this paragraph number in any subcontract. Breach of this covenant may be regarded as a material breach of the contract.

The City strongly encourages the hiring of Detroit residents whenever possible by contacting Detroit At Work for your hiring needs. Visit the Detroit At Work website at www.detroitatworks.com for specific contact information regarding these opportunities.

9. UNIT PRICES, NOTATIONS, AND WORKMANSHIP

Prices shall be for new products only. All materials furnished must be new, of latest model and standard first-grade quality of best workmanship and design, unless expressly specified.

10. NO SALES TAX

The City does not pay sales tax on those products and services which the City buys for its own use.

11. NO PAYMENT UNTIL CITY COUNCIL APPROVAL

No work shall begin on this Purchase Order until this acquisition has been approved by the required City departments, signed by the City's Chief Procurement Officer, and approved by resolution of the Detroit City Council. The Chief Procurement Officer shall not authorize any payments to the Supplier prior to such approvals, nor shall the City incur any liability to reimburse the Supplier regarding any expenditure for the purchase of materials or the payment of products or services.

12. INSPECTION

All products and services acquired pursuant to this Purchase Order are subject to the City's inspection and testing. In case any articles are defective in material and/or workmanship, or otherwise fail to meet requirements of this Purchase Order, the City shall have the right to reject or retain and correct such products and services. The Supplier shall pay the City for expenses incurred in correcting defects. Rejected products will be returned to Suppliers at their expense for handling, packing and transportation.

13. SUBCONTRACTING

None of the services covered by this Purchase Order shall be subcontracted without the prior written approval of the City and any grantor agency, if required.

14. ASSIGNMENT

A Supplier shall not assign this Purchase Order or any monies due therefrom without prior approval of the City. Contact the Contracting and Procurement Specialist for proper procedure.

15. DEFAULT

Default is defined as the failure of the Supplier to fulfill the obligations of this Purchase Order as determined in the sole discretion of the Chief Procurement Officer or designee.

16. DAMAGES FOR BREACH FAILURE TO PERFORM

The Supplier shall be liable to the City for any damages it sustains by virtue of the Supplier's failure to perform under this Purchase Order, or any reasonable costs the City might incur enforcing or attempting to enforce performance, including, but not limited to, reasonable attorney's fees. The City may withhold any payment(s) to the Supplier for the purpose of set-off until such time as the exact amount of damages due to the City from the Supplier is determined. It is expressly understood that the Supplier will remain liable for any damages the City sustains in excess of set-off. If deemed necessary, the City may take over the services, and pursue the same to completion by contract with another party or otherwise, and the Supplier shall be liable to the City for any and all costs occasioned to the City thereby. The City may assess upon the Supplier, for failure to meet any provision or condition of this Purchase Order, liquidated damages up to the amount of 15% of the total price(s) set forth in this Purchase Order, or the amount of the cost incurred for non-performance. Other remedies shall also be available to the City. The previous provisions outlined herein shall be in addition to all other legal or equitable remedies legally available.

17. TERMINATION OF CONTRACT FOR CONVENIENCE

The City reserves the absolute right to terminate this Purchase Order in whole or in part, for the convenience of the City at its sole discretion on thirty (30) days written notice to the Supplier.

18. TERMINATION OF CONTRACT FOR CAUSE

The Supplier agrees that the City shall have the right to terminate this Purchase Order Supplier based upon a Default by the Supplier, upon the giving of ten (10) days' notice.

19. AUDIT, INSPECTION OF RECORDS AND COST VERIFICATION

The City reserves the right to audit the Supplier's payroll records to verify labor charges for work performed under this Purchase Order upon 72 hours' notice. The Supplier shall permit the authorized representative of the City to inspect and audit all data and records of the Supplier relating to its performance under this Purchase Order during the term of the set forth on page 1 of this Purchase Order and for three (3) years after final payment. All records relating to this Contract shall be retained by the Supplier during the term set forth on page 1 of this Purchase Order and for three (3) years after final payment for the purpose of such audit and inspection.

20. INDEMNITY

The Supplier agrees to indemnify, defend, and hold the City harmless against and from any and all liabilities, obligations, damages, penalties, claims costs, charges, losses and expenses (including without limitation, fees and expenses for attorneys, expert witnesses and other consultants), which may be imposed upon, incurred by or asserted against the City by reason of any negligent or tortious acts, errors, or omissions attributable to the Supplier, or any failure by the Supplier to perform its contractual obligations during the term set forth in of this Purchase Order. This provision shall apply to all matters whether litigated or not, and shall include disputes between the Supplier, the City, and any negligent or tortious acts, errors, or omissions attributable to the Supplier, its sub-contractors or agents.

21. CONFLICT OF INTEREST

The Supplier covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which could conflict in any manner or degree with the performance of the services under this Purchase Order. The Supplier further covenants that in the performance of this Purchase Order no person having any such interest shall be employed. The Supplier further covenants that no officer, agent, or employee of the City and no other public official who exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this Purchase Order has any personal or financial interest, direct or indirect, in this Purchase Order or in the proceeds thereof via corporate entity, partnership, or otherwise. The Supplier also hereby warrants that it will not and has not employed any person to solicit or secure this Purchase Order upon any agreement or arrangement for payment of a commission, percentage, brokerage, contingent fee, other than bona fide employees working solely for the Supplier either directly or indirectly, and that if this Warranty is breached, the City may, at its option, terminate this Purchase Order without penalty, liability or obligation, or may, at its election, deduct from any amounts owed to the Supplier hereunder, any amounts of any such commission, percentage, brokerage, or contingent fee.

In accordance with Section 4-122 of the Detroit City Charter, the contractor shall provide a statement listing all political contributions and expenditures ("Statement of Political Contributions and Expenditures"), as defined by the Michigan Campaign Finance Act, MCL 169.201, et seq., made by the contractor, its affiliates, subsidiaries, principals, officers, owners, directors, agents or assigns, to elective City officials within the previous four (4) years. Individuals shall also list any contributions or expenditures from their spouses. This Purchase Order is not valid unless and until the Statement of Political Contributions and Expenditures is provided. The Statement of Political Contributions and Expenditures shall be filed by the contractor on an annual basis for the duration of the Purchase Order, shall be

current up to and including the date of its filing, and shall also be filed with all contract renewals and change orders, if any.

22. CHANGE IN SUPPLIER INFORMATION

Supplier shall notify the Office of Contracting and Procurement upon any change of address, telephone number, facsimile number and electronic mail address, where applicable, within five (5) business days of such change. The notice shall be submitted in writing to procurementinthecloud@detroitmi.gov identified on this Purchase Order and shall include all of Supplier's changed information and the effective date of such change.

23. TAXPAYER IDENTIFICATION NUMBER

Supplier shall notify the Chief Procurement Officer and the Income Tax Administrator of the City upon the change of Supplier's taxpayer identification number. Such notification shall be in writing; shall include at a minimum, the Supplier's taxpayer identification number in use by the City, Supplier's new taxpayer identification number and all contract and purchase order numbers under which the Supplier is currently providing goods and services to the City; and, shall be electronically submitted to the City within five (5) business days of Supplier's receipt of confirmation of the registration of the new taxpayer identification number by the Internal Revenue Service. Failure of the Supplier to supply the information required, may be deemed and event of default at the sole discretion of the City.

24. SETOFF

In addition to Supplier's obligation to not become in arrears to the City for any obligation owed to the City, City shall have the right to recover from payment owed to Supplier by City, delinquent withholding, corporate and property tax liabilities owed to the City by Supplier. The City's right of recovery shall be a setoff against those payments owing to Supplier by virtue of this, or any current City contract or purchase order. The City will provide written notice to Supplier of any intention to invoke its right to setoff payments due to Supplier under this Contract against delinquent withholding, corporate and property tax liabilities owed. Such written notice shall be delivered to Supplier at the address provided in the Purchase Order.

25. COMPLIANCE WITH LAWS

The Supplier shall comply with and shall require its Associates to comply with all applicable federal, state and local laws.

The Contractor shall hold the City harmless with respect to any damages arising from any violation of law by it or its Associates. The Supplier shall commit no trespass on any public or private property in performing any of the Services by this Contract. The Supplier shall require as part of any subcontract that the Subcontractor comply with all applicable laws and regulations.

26. OFFICE OF THE INSPECTOR GENERAL

In accordance with Section 2-106.6 of the City Charter, any Contract resulting from this bid shall be voidable or rescindable at the discretion of the Mayor or Inspector General at any time if a Public Servant who is a party to any contract resulting from this bid has an interest in this Purchase Order and fails to disclose such interest.

This Purchase Order shall also be voidable or rescindable if a lobbyist or employee of the contracting party offers a prohibited gift, gratuity, honoraria or payment to a Public Servant in relation to this Purchase Order. A fine shall be assessed to the Supplier in the event of a violation of Section 2-106.6 of the City Charter. If applicable, the actions of the Supplier, and its representative lobbyist or employee, shall be referred to the appropriate prosecuting authorities.

Pursuant to Section 7.5-306 of the City Charter, the Inspector General shall investigate any Public Servant, City agency, program or official act, contractor and subcontractor providing

goods and services to the City, business entity seeking contracts or certification of eligibility for City contracts and person seeking certification of eligibility for participation in any City program, either in response to a complaint or on the Inspector General's own initiative in order to detect and prevent waste, abuse, fraud and corruption.

Any Public Servant who willfully and without justification or excuse obstructs an investigation of the Inspector General by withholding documents or testimony, is subject to forfeiture of office, discipline, debarment or any other applicable penalty.

In accordance with Section 7.5-310 of the City Charter, it shall be the duty of every Public Servant, contractor, subcontractor, and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the Inspector General in any investigation pursuant to Article 7.5, Chapter 3 of the City Charter.

27. ENTIRE AGREEMENT

Unless there is a signed contract that has been negotiated by the Supplier and the City, and approved by City Council, this Purchase Order contains the entire agreement between the parties and all prior negotiations and agreements are merged into this Purchase Order. Neither the City nor the City's agents have made any representations except those expressly set forth in this Purchase Order, and no rights or remedies are, or shall be, acquired by the Contractor by implication or otherwise unless expressly set forth in this Purchase Order. The Supplier waives any defense it may have to the validity of the execution of this Purchase Order.