#### **DEFINITIONS**

As used throughout this Contract, including these General Terms and Conditions, the following terms shall have the meaning set forth below:

"Contract" means purchase order and/or the entire written agreement between PIERCE COLLEGE and the Contractor, including any Exhibits, documents, and materials incorporated by reference.

"The Contractor" means that firm, provider, organization, individual or other entity providing goods and/or performing service(s) under this Contract, and shall include all employees, assigns, successors in interest and authorized agents of the Contractor.

"Debarment" means an action taken by a Federal official to exclude a person or business entity from participating in transaction involving certain federal funds.

"Improper influence" means any influence that induces or tends to induce a PIERCE COLLEGE employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

"Materials" means all information in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, software, digital file, computer programs, films, tapes, and sound reproductions.

"Ownership" includes the right to copyright, patent, and register, and the ability to transfer, these rights.

"Party" or "Parties" Party, when capitalized, shall mean an individual generic reference to the Contractor or PIERCE COLLEGE. Parties, when capitalized, shall mean both the Contractor and PIERCE COLLEGE.

"Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.

"RCW" means the Revised Code of Washington. All reference in this Contract to RCW chapters or sections shall include any successor, or replacement statute.

"Law" means any federal, state, local or PIERCE COLLEGE regulation, law, rule, or ordinance.

"Special Terms and Conditions" means terms and conditions other than these General Terms and Conditions.

"Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.

"Subcontractor" means one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the

Contractor. The terms "Subcontractor" and "Subcontractors" means Subcontractor(s) in any tier.

"PIERCE COLLEGE" means PIERCE COLLEGE DISTRICT, any division, section, office, unit, campus or other entity of PIERCE COLLEGE DISTRICT, or any of the officers or other officials lawfully representing PIERCE COLLEGE DISTRICT.

- ADVANCE PAYMENTS PROHIBITED No payments in advance of or in anticipation of goods or services to be provided under this Contract shall be made by PIERCE COLLEGE, except as authorized by law.
- AMENDMENTS This Contract may only be amended by the mutual written agreement of the Parties. No material alterations in any of the terms, conditions, delivery, price, quality, quantity, or specifications shall be effective unless the alteration is expressly acknowledged and accepted in writing by an authorized person at PIERCE COLLEGE.
- ASSIGNMENT The work to be provided under this Contract, and any claim arising there under, is not assignable or delegable by the Contractor without prior written consent by PIERCE COLLEGE. Provision of monies due under this Contract shall only be assignable with prior written permission of PIERCE COLLEGE.
- ATTORNEYS' FEES In the event of litigation or other action brought to enforce the Contract terms; each party shall bear its own attorneys' fees and costs.

#### 6. **BREACH, DEFAULT, TERMINATION**

- A. Breach: A breach of a term or condition of this Contract shall mean any one or more of the following events:
  - The Contractor fails to perform the services by the date required or by a later date as may be agreed to in a written amendment to this Contract signed by PIERCE COLLEGE;
  - (2) The Contractor breaches any warranty or fails to perform or comply with any term or provision in this Contract:
  - (3) The Contractor makes any general assignment for the benefit of creditors;
  - (4) In PIERCE COLLEGE's sole opinion, the Contractor becomes insolvent or in an unsound financial condition so as to endanger performance hereunder;
  - (5) The Contractor becomes the subject of any proceeding under any law relating to bankruptcy, insolvency or reorganization, or relief from creditors and/or debtors;
  - (6) Any receiver, trustee, or similar official is appointed for the Contractor or any of the Contractor's property;

- (7) The Contractor is determined to be in violation of any rules or Laws and that such determination, in PIERCE COLLEGE's sole opinion, renders the Contractor unable to perform any aspect of this Contract.
- B. Default: The Contractor may be declared in default for a material breach of any term or condition.
- C. Termination for Convenience: PIERCE COLLEGE may terminate this Contract, in whole or in part, at any time and for any reason by giving thirty (30) calendar days written termination notice to the Contractor. Termination charges shall not apply unless they are subsequently agreed upon by both Parties. Where termination charges are applicable, both Parties agree to negotiate in good faith and to limit the extent of negotiations to valid documented expenses incurred by the Contractor prior to date of termination. Should the Parties not agree to a satisfactory settlement, the matter may be subjected to mediation and/or legal proceedings.
- D. Termination for Breach and/or Default: Except in the case of delay or failure to perform resulting from circumstances beyond the control and without the fault or negligence of the Contractor or of the Contractor's suppliers or subcontractors, PIERCE COLLEGE shall be entitled, by written or oral notice, to cancel and/or terminate this Contract in its entirety or in part for breach and/or for default of any of the terms herein and to have all other rights against the Contractor by reason of the Contractor's breach as provided by Law.
- E. Funding Contingency: In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to normal completion, PIERCE COLLEGE may terminate this Agreement under the "Termination for Convenience" clause without advance notice, subject to renegotiation under those new funding limitations and conditions.
- F. Termination by Mutual Agreement: PIERCE COLLEGE or the Contractor may terminate this Contract in whole or in part, at any time, by mutual written agreement signed by authorized persons.
- COMPLIANCE WITH APPLICABLE LAW At all times during the term of this Contract, the Contractor shall comply with all Laws, including but not limited to, nondiscrimination laws, anti-kickback laws, fraudulent claims law and export controls.
- CONFIDENTIALITY The Contractor may use Personal Information and any other information gained by reason of this Contract only for the purpose of this Contract. The Contractor shall not disclose, transfer, or sell any such information to any third party, except as provided by law or,

in the case of Personal Information, without the prior written consent of the person to whom the Personal Information pertains. The Contractor shall maintain the confidentiality of all confidential information gained by reason of this Contract, and shall return or certify the destruction of such information if requested in writing by PIERCE COLLEGE.

9. CONFLICT OF INTEREST — Notwithstanding any determination by the Executive Ethics Board or other tribunal, PIERCE COLLEGE may, in its sole discretion, by written notice to the Contractor, terminate this Contract if it is found after due notice and examination by PIERCE COLLEGE that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW, or any similar statute involving the Contractor in the procurement of this Contract, or the provision of goods or services under this Contract.

If this Contract is terminated as provided above, PIERCE COLLEGE shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of this Contract by the Contractor. The rights and remedies of PIERCE COLLEGE provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law.

#### 10. COPYRIGHT AND INTELLECTUAL PROPERTY PROVISIONS -

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by PIERCE COLLEGE. PIERCE COLLEGE shall be considered the author of such Materials. If the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to PIERCE COLLEGE effective from the moment of creation of such Materials.

For Materials that are delivered under this Contract, but that incorporate pre-existing materials not produced under this Contract, the Contractor grants to PIERCE COLLEGE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights, and rights of publicity, necessary to grant such a license to PIERCE COLLEGE.

PIERCE COLLEGE shall receive prompt written notice of each notice or claim of copyright infringement received by the Contractor with respect to any Materials delivered under this Contract. PIERCE COLLEGE shall have the right to modify or

remove any restrictive markings placed upon the Materials by the Contractor.

- 11. **DEBARMENT CERTIFICATION** The Contractor, by accepting the terms of this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions. The Contractor shall include the above-mentioned requirement in any and all subcontracts into which it enters. In the event that the Contractor becomes debarred, suspended or ineligible from participating in transactions, the Contractor shall notify PIERCE COLLEGE in writing within three working days of such an event.
- 12. <u>DELIVERY AND ACCEPTANCE</u> Delivery shall be accomplished by the date and time in the order, and noncompliance may be construed as grounds for termination for cause for failure to deliver on time. Partial delivery will not be construed as acceptance of goods, including failure to deliver related software, materials or documentation. Unless otherwise provided in writing, PIERCE COLLEGE shall have ninety (90) days after delivery to accept software and equipment.
- 13. FORCE MAJEURE Neither the Contractor nor PIERCE COLLEGE shall be liable for damages arising from causes beyond the reasonable control and without the fault or negligence of either the Contractor or PIERCE COLLEGE. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of a governmental body other than PIERCE COLLEGE acting in either its sovereign or contractual capacity, war, acts of terrorism, explosions, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or other force majeure; but in every case the delays must be beyond the reasonable control and without fault or negligence of the Contractor, PIERCE COLLEGE, or their respective Subcontractors.
- GOVERNING LAW This Contract shall be interpreted in accordance with the laws of the State of Washington, and the venue of any action brought hereunder shall be in the Pierce County District Court.
- 15. INDEMNIFICATION The Contractor shall indemnify, defend, and hold PIERCE COLLEGE, the Board of Trustees, and their officers, employees, students and agents, harmless from and against all claims for damages, costs (including attorney's fees), or liability, relating to the death or injury to any persons or the damage of any property resulting from or arising out of the acts or omissions of the Contractor or its employees, agents, or subcontractors in connection with this Contract. The Contractor expressly agrees to indemnify,

defend, and hold harmless PIERCE COLLEGE for any claim arising out of or incident to the Contractor's or any subcontractor's performance or failure to perform this Contract. The Contractor shall be required to indemnify, defend and hold harmless PIERCE COLLEGE only to the extent claim is caused in whole or in part by negligent acts or omissions of the Contractor.

The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify PIERCE COLLEGE, and their officers, employees, students and agents as provided herein.

- 16. <u>INDEPENDENT CONTRACTOR</u> The Parties intend that an independent contractor relationship is created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of PIERCE COLLEGE. The Contractor, his or her employees, or agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of PIERCE COLLEGE or of the State of Washington during the term of this Contract, or act as attorney in fact, nor will the Contractor make any claim of right, privilege or benefit that would accrue to such employee. Conduct and control of the work will be solely with the Contractor.
- 17. <u>INFRINGEMENTS</u> The Contractor agrees to defend, indemnify and hold harmless PIERCE COLLEGE against all claims for patent, copyright, or franchising infringements arising from the purchase, installation, or use of software, documentation, material or product ordered on this Contract, and to assume all expense and damage arising from such claims.
- 18. <a href="INSPECTION">INSPECTION</a> In addition to any rights of access or inspection that may be included in any Special Terms and Conditions, the Contractor shall provide reasonable access to the Contractor's place of business, the Contractor records, and client records, to PIERCE COLLEGE and to any authorized agent of the state of Washington or the federal government in order to monitor, audit, and evaluate the Contractor's performance and compliance with applicable Laws, and these Contract terms during the term of this Contract and for one (1) year following termination or expiration of this Contract, six (6) years in relation to all records maintained per Records Maintenance clause of this Contract.
- LIENS, CLAIMS AND ENCUMBRANCES The Contractor warrants and represents that all software, documentation, materials, equipment or services delivered under this Contract are free and clear of all liens, claims, or encumbrances of any kind.

20. <u>LIMITATION OF LIABILITY</u> – PIERCE COLLEGE shall not be liable to the Contractor or to any Subcontractor, regardless of the form of action, for any consequential, incidental, indirect, special or punitive damages, or for any claim or demand based on a Date Compliance issue, release of information, or patent, copyright, or other intellectual property right infringement. This section does not modify any specific agreement regarding liquidated damages or any other conditions as are elsewhere expressly agreed to between the Parties.

#### 21. NO DISCRIMINATION

- A. Nondiscrimination Requirements. During the term of this contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organization with which Contractor, or subcontractor, has a collective bargaining or other agreement.
- B. Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington State agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).
- Default. Notwithstanding any provisions to the contrary, PIERCE COLLEGE may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigating into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until PIERCE COLLEGE receives notification that Contractor, including subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), PIERCE COLLEGE may terminate this Contract in whole or part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.2000. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing condition consistent with any court-ordered injunctive relief or settlement agreement.
- D. Remedies for Breach. Notwithstanding any provisions to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative cost directly related to the replacement contract, which

- damages are distinct from any penalties imposed under Chapter 49.60, RCW. PIERCE COLLEGE shall have the right to deduct from any monies due to contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe PIERCE COLLEGE for default under this provision.
- 22. ORDER IDENTIFICATION All invoices, packing lists, packages, shipping notices, and other written documentation affecting any goods delivered under this Contract shall contain the applicable order number. Packing lists shall be enclosed in each and every box or package shipped pursuant to this Contract indicating the contents therein. Invoices will not be processed for payment until all items invoiced are received. Shipments received without order numbers may be refused, at the Contractor's expense.
- 23. ORDER OF PRECEDENCE In the event of any inconsistencies or conflicting terms and conditions in this Contract, such inconsistency or conflict shall be resolved by giving precedence in the following order: federal, state, or local laws or Laws, PIERCE COLLEGE Terms and Conditions for Federal contract funded purchases, PIERCE COLLEGE General Terms and Conditions; the Contractor's terms proposed are rejected, unless otherwise provided in writing by PIERCE COLLEGE's Purchasing Department.
- 24. <a href="PACKING">PACKING</a> No charges will be allowed for special handling, packing, wrapping, bags, containers, reels, etc. unless otherwise provided herein.
- 25. PAYMENT, CASH DISCOUNT PIERCE COLLEGE shall not process invoices for payment, and the period of computation for cash discount will not commence, until PIERCE COLLEGE receives a properly completed invoice or receives and accepts invoiced items, whichever is later. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized. If PIERCE COLLEGE fails to make a timely payment, vendor may invoice for a minimum of \$1 or maximum of 1% per month on the amount overdue (RCW 39.76.011). Payment shall not be considered late if a check or warrant is available or mailed within the time specified, or, if no terms are specified, within 30 days from date of receipt of a properly completed invoice or goods, whichever is later. PIERCE COLLEGE shall not honor drafts nor accept goods on a sight draft basis.
- 26. **PROPRIETARY INFORMATION** Supplier should clearly identify any material such as, but not restricted to, valuable formulae, design, drawing, and research data claimed to be exempt from public records request, as allowable by law (RCW 42.56.270), along with a statement of the basis for such claim of exemption. Pricing and entire bid packages are not

considered proprietary and are subject to public record. PIERCE COLLEGE will give notice to the supplier of any request for disclosure of such information. Failure to so label such materials or to timely respond after notice of request for public disclosure has been given shall be deemed a waiver by the submitting supplier of any claim that such materials are, in fact, exempt.

- 27. ADVERTISING The Contractor agrees to submit to PIERCE COLLEGE for prior approval, all advertising matters relating to this Contract wherein PIERCE COLLEGE'S name is mentioned or language used from which the connection of PIERCE COLLEGE'S name may, in the PIERCE COLLEGE'S judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity matters without the prior written consent of PIERCE COLLEGE.
- 28. RECORD MAINTENANCE The Contractor shall maintain, at no additional cost, all records and other materials relevant to this Contract for a period of six (6) years following the date of termination or expiration of this Contract. At no additional cost, these records shall be subject at all reasonable times to inspection, review or audit by PIERCE COLLEGE, personnel duly authorized by PIERCE COLLEGE, the Office of the State Auditor, and any federal and state officials so authorized by Law or this Contract. If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
- 29. <u>REJECTION</u> All goods or materials purchased under this Contract are subject to approval by PIERCE COLLEGE. Any rejection of goods or material resulting from nonconformity to the terms, conditions, or specifications of this Contract, whether held by PIERCE COLLEGE or returned, will be at the Contractor's risk and expense.
- 30. RIGHTS AND REMEDIES Failure of PIERCE COLLEGE to insist upon the strict performance of any term or condition of this Contract or to exercise or delay the exercise of any right or remedy provided in this Contract or by law, or the acceptance of (or payment for) materials, equipment or services, shall not release the Contractor from any responsibilities or obligations imposed by this Contract or by law, and shall not be deemed a waiver of any right of PIERCE COLLEGE to insist upon the strict performance of this Contract.
- 31. <u>SEVERABILITY</u> If any term or condition of this Contract is held invalid by any court, such invalidity shall not affect the validity of the other terms or conditions of this Contract.
- SHIPPING INSTRUCTIONS Unless otherwise instructed, all goods procured under this contract are to be shipped prepaid, FOB Destination, as defined in RCW Title 62A.

Where specific authorization is granted to ship goods FOB Shipping Point, the Contractor agrees to prepay all shipping charges, to route via the cheapest common carrier, and to bill PIERCE COLLEGE as a separate item on the invoice for the charges. PIERCE COLLEGE reserves the right to refuse COD shipments. Regardless of FOB point, the Contractor agrees to bear all risks of loss, injury, or destruction of goods and materials ordered pursuant to this Contract that occurs prior to delivery to PIERCE COLLEGE, and such loss, injury, or destruction shall not release the Contractor from any obligation hereunder.

- 33. <u>SUBCONTRACTING</u> Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this Contract without obtaining the prior written approval of PIERCE COLLEGE.
- 34. <u>TAXES</u> All payments accrued on account of property taxes, payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

Where required by state statute or Law, the Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. Unless otherwise indicated, PIERCE COLLEGE agrees to pay State of Washington sales or use taxes on all applicable consumer services and materials purchased. No charge by the Contractor shall be made for federal excise taxes and PIERCE COLLEGE agrees to furnish the Contractor with an exemption certificate where appropriate.

The Contractor shall calculate and enter the appropriate Washington State and local sales tax on the invoice. Tax is to be computed on new items after deduction of any trade-in in accordance with WAC 458-20-247.

- 35. <u>TERMINATION PROCEDURES</u> After receipt of a notice of termination, and except as otherwise directed by PIERCE COLLEGE, the Contractor shall:
  - A. Stop work under this Contract on the date, and to the extent specified, in the notice;
  - Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under this Contract that is not terminated;
  - C. Assign to PIERCE COLLEGE, in the manner, at the times, and to the extent directed by PIERCE COLLEGE, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case PIERCE COLLEGE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of PIERCE COLLEGE to the extent PIERCE COLLEGE may require, which approval or ratification shall be final for all the purposes of this clause:
- E. Transfer title to PIERCE COLLEGE and deliver in the manner, at the times, and to the extent directed by PIERCE COLLEGE any property which, if this Contract had been completed, would have been required to be furnished to PIERCE COLLEGE;
- F. Complete performance of such part of the work as shall not have been terminated by PIERCE COLLEGE; and
- G. Take such action as may be necessary, or as PIERCE COLLEGE may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which PIERCE COLLEGE has or may acquire an interest.

PIERCE COLLEGE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services or goods accepted by PIERCE COLLEGE. PIERCE COLLEGE may withhold from any amounts due the Contractor a sum that PIERCE COLLEGE determines to be necessary to protect PIERCE COLLEGE against potential loss or liability.

The rights and remedies of PIERCE COLLEGE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### 38. TREATMENT OF ASSETS

- A. Title to all property furnished by PIERCE COLLEGE shall remain in PIERCE COLLEGE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this Contract, shall pass to and vest in PIERCE COLLEGE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this Contract, shall pass to and vest in PIERCE COLLEGE upon (1) issuance for use of such property in the performance of this Contract, or (2) commencement of use of such property in the performance of this Contract, or (3) reimbursement of the cost thereof by PIERCE COLLEGE in whole or in part, whichever first occurs.
- B. Any property of PIERCE COLLEGE furnished to the Contractor shall, unless otherwise provided herein or approved by PIERCE COLLEGE, be used only for the performance of this Contract.
- C. The Contractor shall be responsible for any loss or damage to property of PIERCE COLLEGE that result from the negligence or misconduct of the Contractor or from the failure on the part of the Contractor to maintain and

- administer that property in accordance with sound management practices.
- D. If any PIERCE COLLEGE property is lost, destroyed or damaged, the Contractor shall immediately notify PIERCE COLLEGE and shall take all reasonable steps to protect the property from further damage.
- E. The Contractor shall surrender to PIERCE COLLEGE all property of PIERCE COLLEGE before settlement upon completion, termination or cancellation of this Contract.

#### 39. WARRANTY

- A. Product: The Contractor warrants all goods, products and services delivered under this order conform to specifications set forth in this Contract and any request for proposal upon which this Contract is based, shall be free from defects in material and workmanship, and shall be fit for the intended purpose. All goods, software, documentation, materials, products and services found defective shall be replaced upon notification by PIERCE COLLEGE. All costs of replacement, including shipping charges, shall be borne by the Contractor.
- B. Price: The Contractor warrants that prices of software, documentation, materials, equipment, and services set forth herein do not exceed those charged by the Contractor to any other customer purchasing the same goods or services under similar conditions and in like or similar quantities.

Financial Status: The Contractor warrants that at the time of the commencement of its performance under this Contract, it has not commenced bankruptcy proceedings and that there are no judgments, liens or encumbrances of any kind affecting title to any goods that are the subject of this Contract.